

The NATIONAL UNDERWRITER

Life Insurance Edition



STARTING JANUARY 18TH IT'S UP TO YOU!

STARTING January 18th, it's up to you to lead the men and women working in your plant to do themselves proud by helping to put over the 4th War Loan.

Your Government picks you for this job because you are better fitted than anyone else to know what your employees can and should do—and you're their natural leader. This time, your Government asks your plant to meet a definite quota—and to break it, *plenty!*

If your plant quota has not yet been set, get in touch now with your State Chairman of the War Finance Committee.

To meet your plant quota, will mean that you will have to hold your present Pay-Roll Deduction Plan payments at their peak figure—and then get at least an average of one **EXTRA \$100 bond from every worker!**

That's where your leadership comes in—and the lead-

ership of every one of your associates, from plant superintendent to foreman! It's your job to see that your fellow workers are sold the finest investment in the world. To see that they buy their share of tomorrow—of Victory!

That won't prove difficult, if you organize for it. Set up your own campaign right now—and don't aim for anything less than a 100% record in those *extra \$100 bonds!*

And here's one last thought. Forget you ever heard of "10%" as a measure of a reasonable investment in War Bonds under the Pay-Roll Deduction Plan. Today, thousands of families that formerly depended upon a single wage earner now enjoy the earnings of several. In such cases, 10% or 15% represents but a paltry fraction of an investment which should reach 25%, 50%, or more!

Now then—Up and At Them!

Keep Backing the Attack!—WITH WAR BONDS

FRIDAY, JANUARY 14, 1944



**Protection
is still their
business!**



★ We are proud indeed of the 292 Union Central men and women who have taken a leave of absence to enter the armed services of their country. Today, their prospect list includes every man, woman and child in America. It's still their job to make secure the ideals of freedom for which our country stands — freedom from want, freedom from fear.

THE UNION CENTRAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO

FIGHT INFANTILE PARALYSIS!

Help rehabilitate victims of this dread disease. Contribute generously to your local or state Infantile Paralysis Fund.

Check the new Q-V-S COMPENSATION PLAN!



Alert Managers and Field Underwriters everywhere have shown keen interest in this revolutionary new plan . . . product of 3 years intensive development work.

Are you fully informed? Write for brochure!

You can get the facts by writing for our brochure on the Q-V-S copyrighted plan. It shows how Quality, Volume and Service reap substantially better-than-average rewards.

The CAPITOL LIFE INSURANCE Company

Clarence J. Daly, Pres.

W. V. Woollen, Agency Vice Pres.

HOME OFFICE — DENVER, COLORADO

OPPORTUNITY

The Pan-American Life Offers:

- A complete line of Policies on Participating and Non-Participating Plans.
- One of the most Liberal Agency Contracts in America—
Commissions plus cash allowances
- A Recruiting Plan and Special Training for New Fieldmen.
- A New System, relieving General Agents from detailed Agency Accounting.
- Attractive and Effective Sales Aids and Policy Illustrations.
- Prospects for Insurance furnished through a Proven System.

Correspondence invited with men not at present connected.

Address:

Charles J. Mesman, Superintendent of Agencies

PAN-AMERICAN LIFE INSURANCE COMPANY

New Orleans, U. S. A.

Crawford H. Ellis
President

Edward G. Simmons
Executive Vice-President

It would be a courtesy to THE NATIONAL UNDERWRITER if you will mention the name of this publication when replying to the above advertisement. Pan-American Life Ins. Co.

Momentous Litigation Is Argued

Three Sensations Before High Court in S.E.U.A. Case

**Most Important Case
in Insurance History
Nears Decision**

By **JAMES C. O'CONNOR**

WASHINGTON—The most important insurance case in the history of the Supreme Court of the United States neared final decision Tuesday afternoon as the Supreme Court finished hearing the arguments of the government and the Southeastern Underwriters Association in the anti-trust action against the fire insurance companies, their officers and their association and awaited the filing of a reply brief by Attorney General Francis Biddle. The brief is due Thursday and, unless the companies request and receive time to file a rejoinder brief, the case is scheduled for discussion by the court at its conference Saturday of this week. It may be any where from a week to several months before the decision is announced.

Immediately after the S.E.U.A. case, in which the fire insurance companies are accused of violation of the Sherman anti-trust act, the court began hearing arguments in the Polish National Alliance case, which were completed Wednesday afternoon. Polish National Alliance is accused of violation of the federal wages and hours law, but the fundamental issue is the same—whether insurance is interstate commerce and subject to federal regulation or whether the long line of decisions beginning with *Paul vs. Virginia* in 1868, holding that insurance is not commerce, shall remain the law of the land.

Biddle's Request Surprise

Mr. Biddle's request for permission to file a reply brief came as a surprise. After arguments in the Polish National case had started, John T. Cahill, New York, who delivered the argument for the S.E.U.A., along with Dan MacDougald, Atlanta, consented and Chief Justice Harlan Fiske Stone entered the permission. This maneuver was the third major sensation of the momentous day. Just a few minutes before, at the close of his rebuttal argument, Mr. Biddle tangled with Associate Justice Robert Jackson and was severely, though pleasantly, criticised by the justice for misquoting him.

The first surprise, in chronological order, came when Associate Justice Stanley Reed disqualified himself from taking part in the case, although he appeared later for the Polish National case. Neither his secretary nor the court clerk would give any reason for this, and it is privilege of a justice to judge his own capacity and possible prejudices without explanation. His former position as United States solicitor general was obviously no bar, as he had left that post long before the S.E.U.A. case began, and neither Justice Murphy nor Justice Jackson, for-

mer attorney generals and more recently on the court than Justice Reed, were unwilling to hear the case. In the absence of further information, observers felt that Justice Reed probably felt disqualified by his former private law practice.

Speculate in Reply

While Mr. Biddle did not indicate the contents of his reply brief, it was generally assumed it will deal with a technical point strongly pushed by Mr. Cahill in his brief and argument and which attracted favorable comment from the justices. The original indictment, the companies pointed out charged the insurance companies and the S.E.U.A. with conspiracy to restrain and burden interstate trade and commerce in fire insurance. The federal court at Atlanta dismissed the indictment and the case came to the Supreme Court on the government's appeal. Mr. Cahill pointed out, and the justices agreed with him, that it is settled that the lower court's view of an indictment is controlling. Thus, the companies maintain, the government is now restricted to proving that insurance is of itself interstate commerce and that its case will not stand on an argument that insurance is under the Sherman act because it may burden or restrain some other activities which are interstate commerce.

BIDDLE ADMISSION

In his opening argument, Mr. Biddle admitted that if the insurance companies are correct his case will fall, but said he expected to prove that they are incorrect. He did not, however, go into this point further and thus it is assumed that his reply will do so.

It is thus possible that this famous case may be decided on a technical point of procedural law. If so, the government would probably bring another indictment and the whole case be tried over again. Observers, however, are betting that this will not happen and that the decision will be rendered on the clear cut question of whether insurance comes within the commerce clause of the federal Constitution and thus can be regulated by the federal government.

Predictions of the possible outcome are free and widespread, but most observers frankly admit that anything can happen. Some predict that a number of the justices will file opinions and few expect a unanimous decision if the case is decided on the interstate commerce question. Aside from the technical question, there appear to be three distinct possibilities—an upholding of *Paul vs. Virginia* and its successors in full, an outright reversal and a decision that the old cases are not affected, but do not apply because they considered state laws rather than federal statutes affecting insurance. Mr. Biddle seemed to be hoping for this last possibility and repeatedly maintained that holding the anti-trust laws apply to insurance would not upset state regulations, but would simply supplement it.

Biddle-Jackson Argument

It was on this point that the Biddle-Jackson argument occurred. Mr. Biddle stated that Justice Jackson had held in *Wickard vs. Filburn*, 317 U.S. 111, that state restrictions on agriculture were not invalidated by federal agricultural legislation, but were supplementary to it. Justice Jackson interrupted him and accused him of not reading his opinion carefully. This decision, Justice Jackson said, was based upon the fact that

the state regulations in question had been approved by the secretary of agriculture, and that the federal legislation clearly contemplated cooperation by the various states. Mr. Biddle rejoined that the justice's language was very broad and both sides laughed, but it was evident that Mr. Biddle did not relish the incident.

FOLLOW THE BRIEFS

Otherwise, the arguments went very much as indicated by the briefs. The government maintained that insurance is commerce and that the cases of the *Paul vs. Virginia* school should be overruled or, preferably, by-passed by holding this case to be one of first impression as regards the applicability of a federal law to insurance. Messrs. Cahill and MacDougald contended that it is established law that insurance is not commerce and that a reversal of the old cases would upset a settled and satisfactory system of state supervision which has been built up in reliance on decision of the highest court of the land, with resuting confusion to the states and the business and loss to the public.

Mr. Biddle opened the argument. Mr. Cahill spoke for about an hour and 15 minutes all told for the companies, Mr. MacDougald followed for the balance of the time allotted the companies and Mr. Biddle closed the case. Sentiment was unanimous that all three attorneys did brilliantly and made out the best possible cases for their sides.

Impressive Setting

The great marble court room with its Ionic pillars and dark red draperies was filled to capacity—seats and standing room, attorneys, spectators and press sections—when the marshal sounded his traditional cry at the stroke of noon Tuesday. The only vacant seat in the room was that of Justice Reed. Justice Murphy, who had missed the Monday session, was back on the job, though his voice showed he was still suffering from a severe cold.

The only preliminary business was the admission of several attorneys to practice before the supreme court, including N. C. Head and H. C. Wood of Mr. Cahill's firm.

Mr. Biddle lost no time in making it clear that the government's main strategy is to by-pass *Paul vs. Virginia* and the succeeding cases. He spoke distinctly, smoothly and yet forcefully, leaning far over the rostrum except when he stepped back to read from a case, occasionally making a slow sweeping gesture with either hand. He took an hour and twelve minutes for his opening argument, reserving the last eighteen minutes for rebuttal.

Although he emphasized four main points in his argument, it was obvious that Mr. Biddle was staking his case mainly on the thesis that the old insurance cases do not apply to the present case. To judge from his attitude, the justices felt the same way and it seems quite probable that the decision will turn on this point. The other points raised by Mr. Biddle were that the flow of money across state lines in premiums and losses and the effect on interstate commerce make the business interstate commerce, that other decisions are broad enough to bring insurance under the commerce clause of the federal constitution and that the intent of congress was to apply the Sherman anti-trust law to every business which might be held interstate commerce.

At Mr. Biddle's first mention of *Paul vs. Virginia*, Justices Roberts, Douglas

and Frankfurter sent pages scurrying for law books—undoubtedly 75 U. S. in which this case is reported. Mr. Biddle denounced the traditional holding in these cases as dicta—remarks of the court which were not essential to the decision. He argued that no federal statute was involved and that these cases merely upheld state regulation. In an interchange with Justice Rutledge, Mr. Biddle maintained that a state may regulate corporations, whether or not their business is interstate commerce.

At this point, Justice Frankfurter interrupted to point out that it is established law that a state may not exclude a corporation, such as a railroad, in interstate commerce, while it may exclude an insurance company.

Chief Justice Interrupts

Mr. Biddle had scarcely started his argument when Chief Justice Stone made the first interruption, asking what the government meant by interstate commerce, particularly whether it hoped to have issuance of contracts defined as this. Mr. Biddle admitted that this question has been settled the other way, but said that the flow of money across state lines should constitute interstate commerce.

The attorney general also admitted at the start that the contention of the insurance companies that the indictment is limited would be fatal to the government's case, if sustained, but that he contended that the indictment was not so limited and hoped to convince the justices.

LOTTERY CASES

Mr. Biddle then dwelt at length on the extension of interstate commerce under judicial definition. When he referred to the lottery cases, which he covered fully in his brief, the insurance spectators were scarcely pleased when he remarked that a lottery is exactly like insurance, since it involves a paper promising to pay money on a contingency. He also declared that the American Medical Association case, on which the government relies strongly, is really an insurance case, since the hospital corporation involved was writing insurance for all practical purposes. Justice Rutledge interposed that there is a distinction, since the medical case involved services instead of pure money contracts, but Mr. Biddle did not think much of this distinction.

On the applicability of the Sherman act, Mr. Biddle accused the insurance companies of not quoting Senator Turpie completely in the reference in their remarks that insurance has been held not to be interstate commerce before the Sherman act was passed. Justice Frankfurter suggested that the government's argument is that Congress intended the Sherman act to be coextensive with the commerce clause of the federal constitution and to apply to every activity which may at any time be held to be interstate commerce. Mr. Biddle agreed that this summarized his position accurately. Justice Jackson pointed out that when the Sherman act was passed a number of activities, such as mining and agriculture, had been held not to be interstate commerce, but were later brought into the fold by judicial decision and Mr. Biddle naturally did not object to this.

Mr. Cahill spoke for about 45 minutes before the 2 o'clock recess. He was less intense than Mr. Biddle, speaking in a loud clear voice with few gestures and in a very relaxed manner. He emphasized his points without apparent effort and

(CONTINUED ON PAGE 17)

Shift to 2 1-2% Basis Slated for Some Companies

Will Keep American Experience Table: Most Will Await Guertin Plan

NEW YORK—Some companies will soon change to a lower interest assumption in their reserve basis while retaining the American experience mortality table. The basis to be adopted in both cases will be 2½%, it is understood.

The object of the change, of course, is to get new business on a more conservative reserve basis without waiting for the general adoption of the Guertin basis by the states. Since all companies will presumably be changing to the Commissioners' Standard Ordinary Table within a few years the companies which are about to shift to the lower interest assumption do not feel that it is worth while to take the intermediate step of shifting from the American Experience to the American Men table, since the latter is already out of date, though less so than the American Experience.

Most Will Keep Present Rate

Most companies will continue on their present reserve basis and make no change either in mortality tables or in interest rates until it becomes possible to adopt the C.S.O. table for general use.

In connection with the adoption of the Guertin plan there is keen interest in what the New York legislature and Governor Dewey will do about the Guertin measure in New York. It is regarded as extremely important to have the bill passed in New York without deviation from the standard Guertin plan. A dozen or so states enacted legislation approving the Guertin plan last year and in another dozen the plan can be put into effect without legislation. This leaves about half of the states to act and what New York does is likely to have considerable influence, as the state has always been regarded as a leader in insurance matters.

Situation in New York

Last year the New York legislature passed the Guertin bill but Governor Dewey vetoed it, not as he explained, on its merits but solely on the ground that he had not had an opportunity to study it. Company representatives have been holding conferences with Superintendent Dineen on the proposed legislation and it is natural to expect that Governor Dewey will be guided in large measure by what Mr. Dineen, his appointee, thinks about the measure.

Guertin bills are being studied by companies in Kentucky and Virginia with a view to getting measures introduced. It is expected that similar measures will soon be sought in other states where legislation is necessary. It is not believed there will be any serious opposition, although some of the smaller companies in the west and south have objected the Guertin proposal on the ground that it called for minimum non-forfeiture values so high as to cause hardship to the companies. Smaller eastern companies, however, in general favor the Guertin plan.

Larson Promoted at Phoenix

Ivan V. Larson, for eight years with Travelers in Phoenix, Ariz., has been appointed field assistant in the life and accident department there. Mr. Larson spent a month at the home office training school.

Buffalo Prepares for N.A.L.U. Parley

BUFFALO—Tower C. Snow, general agent of Penn Mutual, as general chairman of the Buffalo committee which will stage an all-star sales congress in connection with the N. A. L. U. mid-year meeting here March 23-25, announces his assisting committee-men as follows:



Tower C. Snow

Attendance John Pennington, general agent State Mutual; Thomas Caldaroni, district manager John Hancock; Warren D. Austin, manager Metropolitan; William J. Kreish, superintendent Prudential, and J. Stinson Scott, general agent Provident Mutual.

Entertainment, Sidney Wertimer, ordinary manager Prudential and N.A.L.U. trustee; finances, Dean H. Taylor, manager Equitable Society; special funds, Frederick A. G. Merrill, general agent emeritus State Mutual; reception, W. Merle Smith, manager Mutual Life; registration, Joseph N. Desmon, John Hancock general agency; publicity and printing, Leland F. Lyons, agency director New York Life; speakers, Claude C. Jones, general agent Connecticut Mutual; tickets, Stanley C. Collins, Metropolitan.

Kavanaugh, Colo., Lambasts Critics of Insurance

In a talk reviewing the insurance bills in Congress and the suit of the Department of Justice against the Southeastern Underwriters Association, Commissioner Kavanaugh of Colorado told a meeting of all insurance groups in Weld county, Col., that some 200 stock fire companies are charged with monopolizing an industry in which there are 150 additional stock companies and some 3,500 mutual companies.

"Some monopoly," he scoffed. Walter L. Bain, agent of Equitable Life of Iowa, and chairman of the committee on insurance in the last three sessions of the Colorado legislature, presided at the gathering.

Mr. Kavanaugh said it was a bit extravagant for critics to claim that the fire companies are making huge profits. Figures show, he said, that 1938 to 1942 inclusive the industry made an average underwriting profit of about 1.7% on capital at risk, 4.2% on investments, and returns to stockholders averaged 4%. This claim, he said, is of a piece with the one that in 25 states, including Colorado, there is no control over fire rates. The Colorado department, as most of those in other states, have the power to reduce fire rates and Colorado has exercised it, he said.

He said that after all the shouting in the TNEC investigation was over about the only result was to prove that the industry was well managed and had ac-

Father Draft May Bring Switch in Cover from Husband to Wife, Children

The drafting of fathers, accident and health underwriters fear, will spell the termination of a large number of personal accident policies. This class of inductees, particularly the men in the 30's are likely to be proportionately better insured in the A.&H. line than the single men or perhaps even the married men without children. Some of the insurers try to encourage men in uniform to keep up their personal accident insurance and have been somewhat successful. Others, however, insist that it be cancelled.

Agents may have an opportunity to salvage some of this business and at the same time do a sound bit of programming. If the husband is dropping his cover, it can be suggested that the wife buy a personal accident policy and the children and wife be covered under a hospital contract. Perhaps the wife is taking a job to supplement her government allowance. That makes her partially the breadwinner and her income should be protected. Hospital expenses for a wife or children while the family is getting along on a reduced income might very well put the family in a bad hole financially.

Me. Commissioner Goes to Navy

AUGUSTA, ME.—Commissioner A. W. Perkins has accepted a commission as lieutenant (j.g.) in the naval reserve, and reports for active duty Jan. 15. The insurance department affairs will be conducted by Deputy Commissioner Whitten in his absence.

In accordance with the Maine laws and a ruling of the attorney general, Mr. Perkins is granted a military leave of absence, and if he returns from service on or before May 1, 1946, will be reinstated as commissioner. The expiration of his present term of office is May 1, 1946.

Manpower Pinch More Severe

NEW YORK—Life company home offices are probably feeling the manpower pinch this year to a greater extent than ever before. In addition to getting out the usual year-end work, the companies must handle a great deal more business with a smaller office force. Preparation for the fourth war loan campaign is also requiring a considerable amount of attention from overworked staffs in many companies.

accumulated huge reserves for the benefit of policyholders. Insurance, Mr. Kavanaugh asserted, is the last great bulwark of American enterprise left to the regulation of the states. They are doing a good job, and there is no demand for a change by public, policyholders, or the states. He suggested that there should be less talk of liberty in far away lands and more devotion to it in America.

Allow \$235 Million Face Value of Service Claims

WASHINGTON — Approximately \$235 million in awards have been made under National Service Life Insurance policies in case of deaths of insured members of the armed forces during this war. Assistant Director Breining of the Veterans Administration states. That is the face value of the policies concerned.

The insurance is being paid off in 240 monthly installments if the beneficiary is under 30 years of age and if 30 years or over, it is paid as life annuity, with 120 payments certain.

To date, it was stated, the payments have been about \$15,000,000 on account of the current war. Some confusion is reported to have arisen on this point, certain published figures having related to monthly, rather than, total payments.

The Veterans Bureau is sending out a form letter to all persons discharged from the armed services calling their attention to the opportunity to secure reinstatement under National Service Life Insurance in case their policies have lapsed. These letters are going out from the New York office.

In addition the army pays a gratuity equal to half a year's salary and defrays expense of burial. Government allowances amount to \$50 per month for widows or widowers of deceased service persons, \$13 to \$15 for each child and \$25 to \$45 per month to parents.

Veterans Administration officials say that delay in certain payments frequently is due to incorrect names or addresses and lack of proper proof or other information. To illustrate the problem involved, more than 18,000,000 names are indexed at the bureau.

The American Legion has proposed to Congress that it enact a "G. I. Bill of Rights" to provide adequate and prompt care of the disabled service persons, more liberal unemployment compensation up to 52 weeks, hospitalization and extension of hospital facilities, job placement, completion of schooling, and muster-out pay for service persons. Mutual interchange of hospital facilities and hospitalization services of the army and navy with the Veterans Administration is part of the proposed program; also branch offices of the VA in many states and cities. Veterans Administration would be designated as a war agency with priorities in personnel, equipment, supplies and materials.

The Veterans Administration advisory actuarial committee has been called for its second meeting here Jan. 17.

Corporation Funds Used to Pay Premiums Held Not Taxable by High Court

LINCOLN, NEB.—Federal Circuit Judge Woodrough has reversed a federal district court and ruled that \$49,000 of corporation funds used to buy a short-term insurance policy is not taxable as personal income. When W. Glenn Lewis, owner of the Lincoln Hatcheries here used the money to buy the insurance on his own life, the federal internal revenue bureau said the money thus used was equivalent to personal income in the form of a dividend.

Although Mr. Lewis named a son and a missionary society as beneficiaries he stated his sole purpose was to provide a convenient source of easy and quick loans for the corporation. He carried the amount on his books as an asset of the corporation. Mr. Lewis paid under protest an income tax of approximately \$12,000 and sued for recovery.

Frank Nelson, life field assistant of Travelers in Chicago the past 2½ years, has reported for service in the navy.

1943 Production Results Reported

	New Paid Business		Increase in Ins. in Force	
	1943	1942	1943	1942
Business Men's Assur....	\$ 32,800,656	\$ 29,476,757	\$ 14,449,784	\$ 8,790,816
Columbian National	21,265,073	18,034,636	9,300,749	4,690,318
Confederation Life	54,907,959	50,308,090	32,500,465	26,299,087
Connecticut Mutual Life..	102,649,366	95,122,316	59,662,247	42,471,204
Equitable Life, D. C.....	26,861,998	29,614,285	11,672,006	11,166,754
Fidelity Mutual Life.....	29,760,303	25,652,409	14,454,633	7,532,122
Great-West Life	101,022,443	78,910,662	61,120,757	37,552,883
Guarantee Mutual Life...	19,874,770	12,383,631	12,961,275	3,634,292
London Life	125,845,052	130,838,060	90,533,915	94,670,763
Manufacturers Life	77,413,243	66,409,061	51,238,729	37,967,858
Minnesota Mutual	52,357,085	35,394,925	21,740,295	8,545,779
National Life, Va.....	47,643,733	41,286,733	26,494,410	14,858,326
North American Reassur..	33,351,800	28,683,200	14,709,100	8,837,000
Northwestern National..	68,800,852	43,349,541	45,776,454	17,346,565
Provident Life	8,757,727	5,874,861	6,274,988	3,077,189
Provident Mutual Life...	59,082,559	64,715,962	17,603,830	17,007,020
Union Central Life.....	60,000,000	59,295,687	13,806,329	5,509,331

Many Advancements Are Made by Fidelity Mutual Life

**Frank H. Sykes Execu-
tive Vice-president—Three
New 2nd Vice-presidents**

PHILADELPHIA—A sweeping re-organization of the Fidelity Mutual of-
ficial staff, pre-
sented by President
E. A. Roberts, has
been approved by
the directors.

Frank H. Sykes,
vice-president and
manager of agen-
cies since 1924, be-
comes executive
vice-president. He
has been a director
since 1930.

Mr. Sykes has
been with Fidelity
continuously since
1897, except for a
period of service in the army during
the Spanish American war. His aptitude
for sales promotional work led to his
appointment, in 1908, as manager of
the publicity department. He became
assistant manager of agencies in 1917
and manager of agencies in 1919.

For a number of years Mr. Sykes was
president of the Lower Merion Town-
ship committee, heading the civic or-
ganization of one of the country's wealth-

Philadelphia Bar Associations, for a number
of years he has also been a member
and a contributor to the activities of
the International Claim Association. Mr.
Miller entered Fidelity's ranks in 1905
and was, at one time, in charge of its
policy loan department. He became a
member of the claim and law depart-



W. K. MILLER

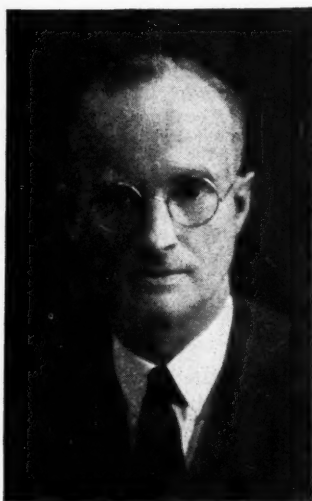
ment in 1914 and later became, succes-
sively, assistant secretary and secretary.

C. P. Malfield, manager of publicity
and personnel since 1925, was also
elected second vice-president, and will
be in charge of administration. In addi-
tion to personnel functions, he will have
executive responsibility for purchasing,
correspondence and mailing departments,
printing and supplies, as well as the
maintenance and services of head office
and adjacent properties.

Mr. Mayfield is a graduate of Lafay-
ette College as a civil engineer and for
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Frank H. Sykes



J. M. SHOEMAKER

iest and most populous townships. He
was one of the organizers of the Life
Agency Officers Association, and later
served as its president.

J. M. Shoemaker Advanced

J. M. Shoemaker, assistant treasurer
since 1940, was made second vice-presi-
dent. Mr. Shoemaker joined Fidelity as
secretary of the investment department
in 1931. He is a native of Philadelphia
where he received his education. After
graduation from the business school of
the University of Pennsylvania, he en-
tered the field of investment securities,
and was in that business until he went
with Fidelity. In 1917 he enlisted in the
navy, was commissioned ensign and sub-
sequently assigned, with the rank of
lieutenant (j.g.) to the destroyer flotilla.
The post of second vice-president was
also assumed by W. K. Miller, former
secretary. He will be in charge of claims,
in addition to his present duties in the
law department.

A graduate of Williams College and
a member of the American and Phila-

Equitable Society Forgives \$1,500,000 Loan Interest

The interest rate charged by Equita-
ble Society on all new policy loans and
increases in existing loans has been re-
duced from 6% to 5%. The 5% rate has
been applicable to policy loans on all
contracts sold since Jan. 1, 1939, to com-
ply with an amendment to the New
York law but until now the old 6% rate
has applied to the older business. The
new rate becomes effective immediately
following the 1944 interest due date.

As at Dec. 31, 1942, policy loans of
Equitable totaled \$173,800,179, so that
the reduction in interest rate means a
difference of probably about \$1,500,000.

Glenn Martin Has Pension Plan with Conn. General

A pension plan under which all em-
ployees of the Glenn L. Martin Co. and
its subsidiaries, less than 65 years of
age and regularly employed for two
years or more, will participate has been
approved by the Treasury Department.
Retirement income for which the com-
pany will pay the entire cost is provided
by a group annuity contract with Con-
necticut General. Ross M. Enlow, of
Baltimore, was the agent. Retirement
income of 10 years certain is provided
and death benefits prior to retirement
are the total of payments made by the
company into his annuity fund, plus com-
pound interest of 2%. Premium for the
first year will amount to approximately
\$1,300,000 and it is expected at the end
of the second year to reach \$2,500,000.

The Martin Co. also has group life,
group A. & H. and hospitalization with
Connecticut General.

Social Security Parley Conducted by U. S. Chamber

**Conference Intended to
Rationalize the Question
Is Attended by 100**

WASHINGTON — Interest of life
and casualty business in social security
was manifested by a group of prominent
persons from those lines attending a
conference Monday and Tuesday at the
U. S. Chamber of Commerce here to
discuss and study proposals for revision
of the social security act.

Speakers included M. A. Linton, presi-
dent of Provident Mutual Life, and
Reinhard A. Hohaus, associate actuary
Metropolitan Life; President Eric
Johnston of the chamber opened the
conference with a formal address. Much
of the discussion, however, was informal
and off-the-record, at closed sessions
and luncheon.

A laboratory type of conference, the
meeting was said to be the most com-
prehensive ever held on social security,
representing part of the chamber's effort
to rationalize the question, according to
Paul Hardesty, chief of the chamber's
insurance division. The Wagner-Mur-
ray bill to extend social security figured
in the discussion.

Called by SS Committee

The meeting was called by the social
security committee, which was sched-
uled to meet following the conference,
to discuss and analyze results. Marion
B. Folsom, Eastman Kodak Co., is
chairman and Dr. Emerson P. Schmidt,
economist, secretary of the committee.
No resolutions were adopted. Besides
those above named the following were
among the 100 representatives of indus-
try, labor, management, medical and
other interested groups attending:

Albert Pike, assistant actuary Life
Presidents Association; A. J. McAndless,
president Lincoln National Life, repre-
senting American Life Convention; J.
Dewey Dorsett, assistant general man-
ager, Association of Casualty & Surety
Executives; Leslie P. Henry, vice-presi-
dent American Mutual Liability, repre-
senting American Mutual Alliance; John
M. Powell, president Loyal Protective,
representing Health & Accident Under-
writers Conference; Harry Prevost,
assistant secretary accident and health
department, U. S. F. & G., and John M.
Train, president Utica Mutual.

Declaring that "business believes in
insurance," President Johnston said that
while the businessman relies most
heavily upon individual initiative, re-
sourcefulness and effort, "There are
some hazards, however, which he lets
insurance companies underwrite, such as
the hazard of a great conflagration or
flood. Without these insurance carriers,
he continued, "the worries of the busi-
ness man would be greatly multiplied
and some risky enterprises could not
be undertaken."

Problem of Unemployment

Referring to mass unemployment as
something that "can be substantially
mitigated," the speaker said, "That part
of unemployment and wage loss which
cannot be abolished can be provided for
by means of individual thrift, by volun-
tary group programs of sharing and
spreading the risks, and, where these
two do not suffice, by social insurances.
"Just as I believe in business insur-
ance, so I believe that social insurance
has a place in a dynamic, changeable
system."

"Social insurances can never assure
(CONTINUED ON PAGE 20)

Not Surrendered

This policyholder came into our agency office with the
definite intention of surrendering his three policies of life
insurance totaling \$75,000. His many and varied business
interests were not doing well enough that he could afford to
continue paying the premiums. (This was some years ago.)

Our cashier went over the calculations with him and showed
him how he could manage to keep \$62,000 on the books. Be-
fore the year was out he died, and the claim was payable.

Says the cashier: "The family consisted of the widow and
four daughters, one married, one in college, two in high
school. The family continued to live in the fine home the
father had provided during his years of affluence. It would
have been impossible to do so without the income from the
proceeds of the \$62,000 of insurance.

"Although his widow inherited considerable business inter-
ests, practically all the family's income during the dark years
of the depression came from insurance. All four daughters
were educated and are now married, and the widow still lives
in the family home. They have never known the pinch of
poverty."

THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Revitalization of National A. & H. Association Sought

Producers Round Table Takes Responsibility for Financing Expansion Plans

By CHARLES D. SPENCER

DES MOINES—Plans for making the National Association of Accident & Health Underwriters a more vital factor in the business were formulated at the winter meeting here. One of the most encouraging aspects was the eagerness shown by field men through the Leading Producers Round Table, which assumed responsibility for financing the expansion plan that contemplates employment of a full-time business manager.

Although no official action was taken it is anticipated that the planning committee of past presidents, headed by E. H. Mueller, Milwaukee, will be authorized to go ahead on a program for seeking five-year pledges from producers. Contributions of \$5,000 on this basis already have been unofficially reported and it is hoped \$50,000 can be raised in the five-year period.

Round Table Wants Representation

The Leading Producers Round Table is seeking to gain representation on the planning committee in order further to stimulate the financial program. A resolution asking for such representation was drafted by the Kansas City association, but it was not officially acted upon. However, it is considered probable that the plan will be adopted. There was a tendency here to wait till the annual meeting in St. Louis in June to take formal action on the entire program, but many basic problems have been threshed out.

More than 300 attended. Omaha and Wichita submitted invitations for the 1945 meetings. Resolutions condemning the Wagner-Dingell social security bill and favoring continuation of states' supervision of insurance were adopted. By-law changes on election of the executive board and providing for a second vice-president were held over for St. Louis.

The round table considered proposals to change its qualifications and a committee was named to consider a new schedule.

Discussed at Round Table Session

The whole subject of proposed changes in the National association set-up had been threshed out pretty thoroughly in the round table session Tuesday morning, sponsored by the Leading Producers Round Table, on the two questions: "How can good public relations be best developed?" and "What should be the function of the National association?" Robert J. Costigan, Business Men's Assurance, Kansas City, was the discussion leader. That meeting was preceded by an executive session of the Round Table, in charge of its chairman, Gilbert H. Knight, Federal Life & Casualty, Cleveland.

M. F. Houston, Washington National, Kansas City, urged very strongly the employment of a full-time managing executive and to finance the cost suggested that pledges of \$5 each for two years be secured from 1,000 agents and \$50 for 200 general agents, which would give an operating budget of \$15,000 per year. He said each of his full-time agents would be willing to contribute.

He said such a manager could bring

about closer cooperation with other organizations, build up association membership and secure assistance from the companies for putting out an educational course comparable to the C.L.U. or C.P.C.U.

Open Forums on Sales Steps

Prior to the national council meeting Tuesday afternoon, an open forum session was held with A. M. Holtzman, Mutual Benefit Health & Accident, Rochester, N. Y., as chairman, in which 15-minute talks were given on the various steps in the sale: Prospecting, P. C. Rowland, Globe Casualty, Columbus; approach, C. F. Lundquist, Fred S. James & Co., Chicago; presentation, F. Glenn Packwood, Massachusetts Bonding, Kansas City; meeting objections, R. J. Costigan, Business Men's Assurance, Kansas City; motivation, O. H. Goodrich, Inter-State Business Men's Accident, Indianapolis; closing, Robert J. Barrett, General American Life, St. Louis.

Martin L. Seltzer, General Accident, president of the Des Moines association, was toastmaster at the banquet that evening. Commissioner Fischer gave greetings from the Iowa department and Gardner Cowles, Jr., publisher of "Look" magazine, told some of his experiences in his round-the-world trip with Wendell Willkie.

Means Talks on Prospecting

A breakfast was held Wednesday morning for the regional directors, officers and committee chairmen of the National association, in charge of C. A. Sholl, Globe Casualty, Columbus, national vice-president. Mr. Sholl also presided at the regular convention session that morning. Following a keynote inspirational address by Governor Hickenlooper of Iowa, George H. Means, Metropolitan Life, president Life Underwriters Association of St. Louis, gave a comprehensive discussion of accident and health prospecting, with the topic, "Our Victory Garden of Prospects." He emphasized that prospecting must be a continuous process, throughout all the phases of the sale. He characterized it as the agent's No. 1 problem but said that with the adoption of a proper system, there should never be any lack of prospects.

E. H. O'Connor, executive director Insurance Economics Society, was the luncheon speaker.

E. F. Gregory, Business Men's Assurance, Denver, member national executive board, presided Wednesday afternoon. Emerson Davis, Inter-Ocean Casualty, Dallas, Texas regional director of the National association, in discussing "The Art of Making a Sale," started out with the premise that successful insurance salesmen are made, and largely self-made, and outlined the methods of developing a successful sales technique.

C. F. Harroll, Inter-Ocean Casualty, Dayton, O., told of the methods he has

General American Celebration



General American Life field men honored President Walter W. Head on his sixty-sixth birthday with applications for \$2,654,104 of new business written in one week, an increase of 115% over the previous year's production for a similar period. Presenting the applications are: Ripley E. Bowden, vice-president; Frank Vesser, superintendent of agencies; and Emil E. Brill, vice-president, who are shown from left to right.

Throughout the campaign there remained on Mr. Head's desk a vase in which a rose was placed bearing the name of each agent producing \$5,000 or more. Each qualifier received the presi-

dent's expression of gratitude in the form of an electrically transcribed message. The records were presented in albums commemorating the occasion.

As of Dec. 31, 1943, General American had \$749,893,236 of insurance in force.

In 1943 General American recorded the largest volume of paid ordinary in its history.

With submitted ordinary from March to December showing an increase each month over the corresponding month of the previous year, the total written life volume for the year exceeded 1942 production by 30%.

Savings Banks Selling Insurance Hold Dinner to Mark Anniversary

NEW YORK—In savings bank life insurance, the greatest effort should be to reach more of those for whom the saving in over-the-counter life insurance would mean a higher standard of living, E. V. Bell, state superintendent of banks, declared at the fifth anniversary dinner of the establishment of savings bank life insurance in New York.

used in selection and training of agents and H. P. Skoglund, president North American Life & Casualty and chairman of the executive committee of the Health & Accident Underwriters Conference, gave the closing address.

If the savings banks sought legislation providing a modest increase in the \$3,000 policy limit, the banking department would not stand in the way, he said. He stated development of group and payroll deduction plans would help to extend savings bank life insurance activities.

Round Table on Most Effective Presentations

The Los Angeles Quarter Million Round Table had a round table discussion on "My Most Effective Presentation in 1943." Bruce Gorsuch, Mutual Benefit Life; Victor DeGomas, Guarantee Mutual Life, and Doyle M. Smith, Penn Mutual Life, led the discussion.

Mr. Smith said the package sale, based on one contract and presented to one class of prospects, was his best presentation. He believes it is the best way to get a new man started in life insurance.

Mr. Gorsuch held his best presentation was where he had made a careful study of the prospect's needs and had analyzed the case thoroughly before making the presentation.

Mr. DeGomas, himself a musician of note, in the main, confines himself to soliciting musicians. His best presentation is on the family income basis with a cold canvass approach. He endeavors to impress the idea of the responsibility of the prospect to himself and to his family.

The club will have an open meeting April 6, with Dr. Rufus F. von Klein-Smid, president of the University of Southern California, as speaker.

Dr. Stevens in Cincinnati

CINCINNATI—Dr. S. N. Stevens, president of Grinnell College, will address the Cincinnati C. L. U. Chapter Friday noon.

REAL ESTATE WANTED

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General Management of Property. Servicing Mortgages. Effecting Sales of Realty. Adjusting Rentals. Making Appraisals. Revising Assessments. Adjusting Fire Losses. Reviewing and Analyzing Insurance. Correcting Tax Errors.

We go anywhere your interests call us to service property beyond the reach of your personal inspection, specializing in the South. We make Periodic Reports. We cooperate with local agents. We have had years of experience.

MORTGAGE AND REALTY SERVICE CORP.

W. O. ROACH, President

4 North Eighth Street, Richmond, Virginia

City Planning May Have Vital Effect on Urban Property

Life Companies Are Studying the Measures Suggested for Post War Activity

Life companies that loan freely on city property are taking keen interest in city planning projects that are cropping up all over the country looking forward to the post-war period. There is an economic feature involved in that municipalities believe that they should do their part in providing employment for those returning from the service and hence are considering what practical work can be done toward improvement and revision. Some of the larger cities have a regular planning commission with an executive staff of engineers, architects and other experts that are particularly interested in this type of work. Undoubtedly there will be much done in many localities after the war, taking advantage of the desire on part of the people to provide employment. In some cases elaborate plans have already been blue printed and are before city councils for review. Those engaged in city planning work declare that development will be gradual, and that it will be impossible to consummate the entire project in a short time. Expert city planning calls for some drastic action and public opinion must be educated before anything is done.

Perhaps the first demand will be the need for far more spacious air fields so that an increasing number of airplanes may come and go. This will mean the purchase of much additional territory and perhaps confiscation of areas, tearing down old buildings, etc. The present airports will be entirely insufficient for the far greater private and commercial demands of the future. An attempt will be made in some cities to have airports nearer the center and thus obviate the long ride to take a ship.

Life companies are watching city planning developments in view of the fact that the value of property will be increased or decreased and hence much care must be taken.

One prominent city planning expert gives it as his opinion that the day of the very tall skyscrapers is at an end. He predicts that there will be no more of the towering types but the business area will be extended or new business centers created.

It is known that a city rebuilds itself every 75 years. That is, on an average, buildings become obsolete in three quarters of a century and that with the building processes it can be stated that a change is made during the 75 years. In all large cities one of the big problems is the replacement of unoccupied buildings which are old, out of date, undesirable for the best grade of tenants. Many of these buildings have been razed and converted into parking lots in order to save taxes. In some instances one or two story tax saver buildings have been erected and they have proved profitable.

One of the unanswered questions, but which will have a marked effect on life companies is the possibility of greater suburban developments. In recent years there has been quite an exodus from the city proper to suburban or country districts owing to improved transportation. City planners are encouraging the improvement of through streets wide

November Applications Swamp Occidental, Cal., Staff



LOS ANGELES—When agents of Occidental Life of California poured more than \$8,225,000 of November applications into the home office (a gain of almost \$3,000,000 over November, 1942)

enough to take care of traffic while other streets will be subsidiaries, tapping the local areas. If this drifting to outside districts continues it will affect very markedly business interests in the city proper.

In some cities extensive housing projects have been located in sections where land is not so valuable and where the locality had a rundown aspect. These projects are made so alluring that there is no difficulty in securing tenants. Undoubtedly this form of housing will be encouraged and will become more popular.

Another question before city planners is the deterioration of residential and other properties along popular through streets and boulevards. This has been very noticeable. The constant noise and the exhaust fumes have made these properties, once aristocratic and valuable, undesirable.

BAR ASSOCIATION PANEL

About 200 insurance men and lawyers turned out for the Chicago Bar Association insurance committee panel discussion of the strength and weakness of state supervision of insurance and what would be in store for the business under a system of federal supervision. The members of the panel had gone through a rehearsal Tuesday afternoon and the colloquies were run off in spirited fashion under the direction of Ambrose B. Kelly, general manager American Mutual Reinsurance and moderator of the forum. President T. I. Parkinson of Equitable Society, who had been scheduled as one of the participants, was unable to appear and his place was ably taken by C. O. Pauley, secretary of Great Northern Life.

Samuel Levin, as chairman of the Bar Association insurance committee, extended greetings and presented Mr. Kelly. Insurance Director Jones of Illinois led off with a statement in praise of the state supervisory system. The rest of the discussion was largely give and take. Although all of the members of the panel were in favor of state supervision, Chase M. Smith, general counsel of Lumbermen's Mutual Casualty, at one point set forth the argument that advocates of federal supervision might be expected to adduce.

Ray S. Bass, treasurer A. E. Staley Mfg. Co. of Decatur, Ill.; Wade Fetzer, Jr., president of W. A. Alexander & Co., and John M. Thomas, president National Union Fire, were the other members of the panel.

Various members of the panel gave comments on the question of what the practical effects might be upon rate making if insurance were held to be commerce insofar as the anti-trust law is concerned. Mr. Pauley declared that the danger to life insurance is that the federal government might undertake to establish life insurance premium rates.

they temporarily swamped the policy issuance department. At the call for volunteers, home office executives led the parade of men and women who worked a swing shift, often until midnight, for a week until the policies were issued to the field.

In the picture at the left, Vice-president V. H. Jenkins, center, was one of the first to offer his services in checking policies. Calling numbers and sta-

tistical data at right is Controller H. G. Dobson and at left, checking his files against the other two, is Assistant Controller Ed V. Hoff.

In the picture at the right, Executive Vice-president Dwight L. Clarke, right, is checking settlement elections, assisted by Vice-president Horace W. Brower and Miss D. D. McKendrick, manager personnel department. It was a busy time.

FLASH

TO THE MEN IN THE FIELD

Be An Active NALU Member

As we begin the new year one thing that every man in the field can do to start off 1944 on the right foot is to join the National Association of Life Underwriters if he's not already a member, and resolve to take an active part in Association affairs if he is a member.

Every life insurance representative in the field has a responsibility to the business in which he is engaged. He should be exerting some effort which contributes to its growth, development and advancement. There is no better way to foster that which is good and constructive both for the fieldman and for the policyholders he serves than active membership in the National Association of Life Underwriters.

The NALU, through its capable officers headed by President Herb Hedges, is doing everything it can to protect the interests of the fieldman, and any agent who does not believe that to be true should get in the fold and work for continued improvement in Association service.

WHERE QUALITY MEN ARE BUILDING QUALITY VOLUME

Commonwealth Life

MORTON BOYD, PRESIDENT

HOME OFFICE LOUISVILLE

Urges Caution on Pension Business

O. J. Arnold Also Urges Agents to Get Selling Done Early This Year

A note of caution to life companies and employers on pension trusts was voiced by O. J. Arnold, president of Northwestern National Life, in his talk before 50 Chicago agents at a meeting there of the R. J. Wiese branch and the Cramsie, Laadt & Co., general agency of the company. Mr. Wiese presided, and Frank Cramsie, William J. Laadt and John Long, life department manager for Cramsie, Laadt, attended. Alan Kennedy accompanied President Arnold from the home office.

Mr. Arnold expressed the belief that his own company's attitude toward pension business of "watchful conservatism" is the proper one in view of the present confused and uncertain situation regarding interest rates, mortality prospects and other factors which have a direct bearing on annuity business. He also emphasized that there is a considerable

lack of certainty regarding governmental tax and social security policies. Consequently, he said, a cautious approach is the only one which fully safeguards the best long range interest of buyers, of business generally, of policyholders, and of agents who must service the business in the future.

Too Much Emphasis on Benefits

The sale of insurance for pension trust purposes was a significant development of 1943, he said, but is a growing tendency to emphasize benefits and not responsibilities, which is apparent also in social security. The danger, he said, is that initiative will be impaired. Business itself has been perhaps too liberal with benefits initiated with tax exempt funds.

Every business should have some retirement plan for its employees, Mr. Arnold declared. The time has passed, he thinks, when business can avoid the responsibility of providing the employee after his usefulness has been exhausted. On the other hand, he asserted, the man himself should participate in establishing such security. The trouble is that business may have to become less liberal, and this is liable to be a jolt to the plans that have been set up.

Mr. Arnold also suggested that funds going into pension plans may not always be exempt from taxation, especially on wages above \$3,000. He also suggested that ultimately there will be the matter of competition between a business that provides pensions for its employees and one that does not, and that this would become more of a factor when American firms widen their participation in world trade after the war.

Should Be Conservative

He commended companies writing pension business which employ conservative interest and longevity assumptions and which at the same time adopt a realistic attitude in appraising the prospects of continued high post-war employment in the firms installing these programs. Minimum weight should be given to the current advantage of paying for a pension program with dollars which are largely tax free, he said. The fundamental consideration should be the reasonable appraisal of proper retirement benefits for faithful service by employees regardless of any tax benefits to the employer.

Life agents should press vigorously to do in the next six or seven months what they would like to do for the year, Mr. Arnold said. The outlook for 1944 as seen by business leaders is that sometime, probably in the late summer or early fall, there will be a recession as cut backs on war production get under way. This will represent the first wave of the readjustment period, observers think. Mr. Arnold said that until then it should be a heyday for life insurance. It is hard to spend money for anything else. Many persons have surplus money. He advised agents not to wait until the "turn" in business comes, but get in their licks early.

Mr. Arnold in commenting on the 1943 statement experience of Northwestern National said that deaths of men in service or identified actively with war cost the company approximately \$205,000, double the 1942 figure. However, he said, the company is not pessimistic about war deaths. The health of those in service is better because of service life and their physical condition will, it is believed, continue to be better after the war. This should add to their longevity. There is, of course, a "conflagration" hazard on service men for the life companies. Although the payments because of service deaths practically doubled, the company's 1943 mortality rate differs from that in 1942 by only .37%.

Russell Named by Read

OKLAHOMA CITY—Commissioner Read has appointed Ralph W. Russell, Oklahoma City, to succeed Andy Crosby, now in service, as assistant commissioner. Mr. Russell was graduated from the Oklahoma University law school in December.

M. C. Terrill Now Executive V.-P.



M. C. TERRILL

M. Clark Terrill, who has been vice-president of Phoenix Mutual Life since 1934 and has been connected with the company since 1909, has now been elected executive vice-president. He was born at Newtown, Conn., in 1888 and graduated from Yale. He immediately went with Phoenix Mutual as clerk, later becoming field correspondent and agency secretary, assistant secretary and in 1929 he was elected secretary. He was named second vice-president in 1930. Mr. Terrill is a director of Hartford National Bank & Trust Co., and a trustee of the Society for Savings, Hartford.

At the same time Lyndes B. Stone, who has been assistant treasurer, was elected to the additional position of assistant secretary. He went with Phoenix Mutual in the legal department in 1931 and later was placed in charge of mortgage loans.

Guay Leads Ohio State Agents

Alfred Guay, general agent of Ohio State Life in Los Angeles, has been elected president and E. G. Siefert, manager of the Marion, O., agency secretary, of the President's Club of that company. This is the 12th consecutive year that Mr. Guay has been a member of the club of leading producers. For eight years he led all the other representatives of the company in volume of insurance written, and in the last year he broke all his previous records.

Examiners on 44 Hour Week

OKLAHOMA CITY—Commissioner Read of Oklahoma has placed state department examiners on a 44 hour week, eight hour days during the week and a four hour day on Saturdays, providing company offices are open. The order applies to examination outside the state as well.

Kalb Named Rockford Manager

B. F. Kalb, Jr., has been named manager of the Rockford, Ill., branch of the Bruce Parsons Agency of Mutual Benefit Life, Chicago. He will be in charge of recruiting and production in northern Illinois. Mr. Kalb entered the business in 1938 with Home Life of New York in Chicago under J. F. Ramsey, now general manager Parsons agency, who was then Home Life general agent. Later Mr. Kalb became supervisor for Home Life in Chicago and Rockford.

Harley Huskey, formerly with the Thurman agency of New England Mutual Life in Chicago, has joined the Parsons agency.

Helen B. Rockwell, No. 1 producer in Cleveland of National Life of Vermont, addressed the Insurance Women of Cleveland Jan. 13 on "The Place of Life Insurance in a War Economy."

Life of Virginia Has Pension Plan for Ordinary Men

All managers, full-time general agents, and full-time agents, agency cashiers and clerks whose service covers a minimum of two years and conforms to certain other specifications, employed in the ordinary agency organization of Life of Virginia, became eligible as of Dec. 1, 1943, to enjoy the benefits of a contributory retirement plan.

Male and female participants in the plan will normally retire on Dec. 1 immediately following their 65th and 60th birthdays, respectively.

Retirement income payable to those whose participation in the plan dates from Dec. 1, 1943, consists of a yearly annuity for continuous service after Dec. 1, 1943, and a yearly annuity for continuous service prior to such date.

The plan provides for continuance of business-writing privileges after retirement.

Should participation in the plan be terminated, other than by death, prior to the normal retirement date, the participant may elect to receive a yearly annuity deferred to the normal retirement date and payable monthly, until death, of such an amount as shall have been purchased by his contributions, or the total of his contributions, without interest.

If a participant dies before receiving any retirement income, the total of his contributions, without interest, is paid to his beneficiary.

If participant's death occurs after commencement of income-payments, his beneficiary receives the excess, if any, of his contributions over the total of income-payments received.

While not a part of the plan, free hospitalization is granted to all participants.

No Tax Advantage to Insurer in Pension Plan

NEW YORK—Contributions by a life insurance company to a pension fund for its agency force have no effect whatsoever on the company's income tax. Life company income tax is figured under a special formula which last year was 7% of net investment income. An ordinary business may take income tax credits for contributions to approved employee retirement plans and this is one of the contributing factors in the popularity of pension and group insurance plans.

A. F. L. Union Picked in D. of C.

WASHINGTON—The National Labor Relations board certifies the Industrial & Ordinary Insurance Agents Union No. 21354, A.F.L., has been designated by a majority of agents of Life & Casualty, attached to its Washington district as their exclusive representative for purposes of collective bargaining with their employer with respect to rates of pay, wages, hours and other conditions of employment.

NLRB announces that the selection was made by a vote of 13 to 3 for the union at a secret ballot election Dec. 31 under supervision of the board's regional director, Baltimore.

Offers Return Premium Form

Western Life of St. Louis has brought out a "golden anniversary special" policy, guaranteeing full return of premiums. It provides for payment of principal sum and also all premiums paid in the event of the death of the insured prior to attaining age 65.

Rates for ordinary life on an annual basis, in addition to regular rates without the return premium benefit, are: age 5, \$3.04; 10, \$3.25; 15, \$3.69; 20, \$4.27; 25, \$4.99; 30, \$5.87; 35, \$6.88; 40, \$8.03; 45, \$9.10; 50 to 60, \$10.



★ FROM MR. DARLING, MANAGER OF A. P. CAWLEY & CO., WHO FOR MANY YEARS HAVE DISTRIBUTED R & R SERVICES AND SUPPLIES IN ENGLAND COMES A CHEERFUL LETTER—THE FIRST WORD TO REACH US FROM LONDON FOR MANY MONTHS.

TWICE BOMBED, the office was re-established at 7 Union Court on Old Broad Street. Here is an interesting note from Mr. Darling's letter:

"Here are several new Service memberships and new magazine subscriptions. We are calling on our former R & R accounts. We feel that it is propitious to do so, for the Cairo and Teheran conferences have quickened expectation of victory in 1944.

"It is interesting to find a distinct disposition on the part of executives to prepare themselves for effective work when the war ends and business staffs are re-made."

Someone remarked that "surprise is the greatest enemy management faces." The more definitely everyone in the business can lay post-war plans, the smaller the danger of surprise. As things happen fast in '44 on the military front, so they must happen fast on the life insurance front.

THE INSURANCE RESEARCH & REVIEW SERVICE
INDIANAPOLIS

Penn Mutual Year Viewed at Parley of Policyholders

At the annual policyholders' meeting of Penn Mutual Life, President John A. Stevenson pointed out that war cuts across all the company's activities through the effect on operations, the company's contribution to the war program and post-war plans.

Most of incoming funds go into government bonds, he said. War casualties affect mortality rate, though there are some compensating factors such as the reduction in automobile fatalities.

Though life companies do not face such problems as renegotiation of contracts, reconversion, and the like, he said, they are by no means immune to the effect of actions which the government may take. There is the important question of where, in the best interests of the nation, the line between compulsory social security and voluntary life insurance protection shall be drawn, he pointed out. "We have a definite interest in the question now pending in Congress as to whether insurance is subject to the provisions of the federal anti-trust acts. There are provisions in the tax bills which unquestionably concern our business."

Should Not Enter Politics

However, he said, although life insurance management is constantly being urged to organize political opinion for or against measures before Congress or proposed by the administration, it is important to remember that among the 400,000 policyholders of a company such as Penn Mutual there are all shades of political philosophy, and the fact that a person purchases a policy in the company gives it no proxy to speak for him on political lines. Efforts of this kind which might tend to bring life management into the political arena would, in the end, result in more harm than good, he declared.

Wallis Boileau, Jr., second vice-president, said that 438 agents were in the armed forces and in other activities related directly to the war at the end of 1943 and their annual production would have been \$35,631,076, yet the remaining agents closed the year with a gain of approximately 4%. Total production was about \$120 million.

William W. Bodine, financial vice-president, said that in its investment policy the company is striving to be "cautiously far-sighted."

There were 1,222 votes cast by policyholders for trustees and the following were re-elected: William W. Bodine, Edward E. Brown, Arthur C. Dorrance, Thomas S. Gates, John Story Jenks, William H. Kingsley, William Fulton Kurtz, Adolph G. Rosengarten and William I. Schaffer.

Ohio National 1943 Leaders

Albert Doctor, Detroit general agent, was the top ranking personal producer of Ohio National in 1943, while the George Wade agency of Harrisburg led the field in agency business. Placing second in personal and agency production were Fred A. McMaster, Los Angeles, and the Fred E. Kramer Agencies of Erie, Pa., respectively.

Mr. Doctor went to Ohio National from Girard Life in 1939, and has been in the business 15 years.

The George Wade agency has been the top ranking agency of Ohio National for the past five years. Associated with the company for more than 23 years, Mr. Wade is exceptionally active in civic affairs. A member of the senate of Pennsylvania Mr. Wade is also vice-president of the Pennsylvania State Life Underwriters Association.

Equitable Life of Iowa sold 232 farms in Iowa during 1943, a total of 44,649 acres at an average price of \$86.68 an

acre, and in addition 31 farms outside the state. The company has 66 farms remaining in Iowa and only eight outside of the state.

Nashville C. L. U. School

NASHVILLE—H. F. Shipp, Fidelity Mutual Life, president Nashville Chapter of C. L. U., stated a C. L. U. school with 10 students already enrolled will start Jan. 15 with Prof. Lowe Watkins of Vanderbilt university, instructor and will meet weekly.

Travelers Premiums for 1943 Shown

New paid for life insurance of Travelers last year, excluding \$1,017,000,000 of additions to group policies, amounted to \$655,200,000 as compared with \$563,000,000 in 1942. The latter figure was exclusive of \$760,000,000 additions under group.

Life insurance premiums were \$113,400,000 and accident and health prem-

iums \$31,000,000.

The total premiums of the Travelers' companies last year exceeded \$236,000,000, an increase of \$1,800,000.

Marks Leads N. E. Mutual

David Marks, Jr., of East Orange, N. J., led the entire field force of New England Mutual Life in 1943. He is with the Freid Agency of New York City, which agency led all other agencies of that company last year. Mr. Marks is public relations chairman of the New York Chapter of C. L. U.



You already know *her* phone number!

SHE is the personal secretary, or telephone operator or receptionist of any one of your regular business and professional clients.

She is well-known to you, and you have enlisted her cooperation more than once in your contacts with "the boss." You consider her your friend, but have you ever thought of her as an excellent prospect for life insurance as well?

New England Mutual fieldmen are finding that she is a good prospect,

now that they have a trump card which can be counted on to arouse her friendly interest in the subject of life insurance.

"This Reminds Me", an attractive personal engagement and expense book, is the "Ace that captures the Queen"! Designed expressly for young women who work, and published exclusively by New England Mutual, it is another effective sales promotion tool in our competent agency force's well-rounded kit.



NEW ENGLAND MUTUAL Life Insurance Company of BOSTON

GEORGE WILLARD SMITH, President

NEWS OF THE COMPANIES

Northwestern Nat'l Concentrates in Ia.; Peterson in Charge

Because its studies point to Iowa as one of its best post-war markets, Northwestern National Life is launching a program to intensify its agency development in that state and as a first step will open a central headquarters at Des Moines to service all Iowa offices. The company considers this program so important, both as an immediate project and as a practical application of its current market studies looking to post-war development, that Carl A. Peterson, su-



Bruce Gay

pervisor of agencies, has been assigned to direct it.

Working out of the service headquarters, and in charge of sales training procedures, will be Bruce Gay, who has for 3½ years been on the sales training staff of Ray E. Habermann, associate manager of the White & Odell agency, Minneapolis, and who is in charge of Minnesota operations outside the Twin Cities.

While Northwestern National has been active in Iowa for many years, it is writing there only about \$2 million annually as compared with \$13 million in Minnesota. There is \$22 million in force in Iowa.

Dallager Sioux City Manager

A. L. Dallager, formerly agency supervisor for Equitable Life of Iowa, becomes manager at Sioux City office. Mr. Dallager, who has had three years life insurance experience, was formerly athletic coach at Buena Vista college at Storm Lake and at Denison high school. He is an alumnus of Coe college.

Other Iowa managers are E. D. Denio, Cedar Rapids; A. G. Carper, Water-



CARL A. PETERSON

loo; C. I. Snyder, Mason City; George G. Stevenson, Perry; Frank W. Markley, Ottumwa; P. E. Myers, Fort Dodge; and V. A. Helfenstein, Council Bluffs.

Guarantee Mutual Figures

Guarantee Mutual Life in a preliminary statement, reports that new paid business in 1943 exceeded \$19 million; insurance in force is \$164,500,000, a gain of \$12,900,000; assets \$32,500,000, a gain of \$2,750,000, and surplus \$3,600,000, increase \$400,000.

City National Properly Placed

In reporting certain changes in the official staff of City National Life, the company was incorrectly identified as being located at Denver. Its home office is at Dallas.

Continental of Toronto Figures

Preliminary figures issued by the Continental Life, Toronto, on 1943 operations show business in force \$54,697,083, payments to policyholders in the year \$754,328, and total assets \$12,803,307.

COMPANY MEN

N. Y. Life Revises Eastern and N. E. Department Setup

J. Frank Burke has been promoted to inspector of agencies of the northeastern department of New York Life, with



FRANK B. SUMMERS

headquarters in Boston. Mr. Burke, who had been inspector of agencies of

the eastern department with headquarters in Albany, succeeds Frank B. Summers, who has been in ill health.

Burke's Career

Mr. Burke joined New York Life as a part time agent at Burlington, Vt., in 1916, one year prior to his graduation from the University of Vermont. In the first war he was one of the youngest majors in the service. He was decorated with the Purple Heart and Silver Star.

In 1925 Mr. Burke was appointed an agency organizer, with headquarters in Utica, N. Y., and in 1928 he was promoted to agency director at Albany. In 1941 he was appointed supervisor of division 2 of the eastern department, and the following year he was given supervision of the entire eastern department.

Consolidate New York Units

The company is consolidating the eastern department with Greater New York department "C," under the title of New York department and it will be under the direction of Inspector of Agencies Romney L. Campbell, whose headquarters will be in New York.

Mr. Campbell started with New York Life in 1910 and was appointed an agency organizer in 1912, agency director at Charlotte, N. C., in 1923; supervisor-at-large with headquarters at the eastern department in 1929; supervisor of Division 1 of the eastern department in 1932; inspector-of-agencies of eastern department in 1936, and in 1940, inspector-of-agencies of Greater New York department "C."

Bingham Northern of Seattle Actuary

Gordon R. Bingham, who was formerly vice-president and actuary of



G. R. Bingham

Institute of Actuaries. At Spokane he was president of the Personnel Management Association.

O. A. Ehrenclou, who was actuary of Northern Life, left several months ago to go with Insular Life of Hawaii.

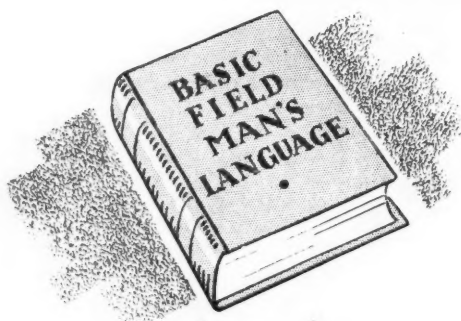
Kesler, Sanderson Promoted by Shenandoah Life

Shenandoah Life has appointed John B. Kesler assistant secretary. He will be in charge of the claim department, taking over the duties formerly handled by Mrs. Amy C. Van Pelt, assistant secretary, who has resigned. Mr. Kesler has been with Shenandoah Life 21 years and has served in various capacities, including supervisor in the agency division, 1936 to 1941.

Mrs. Van Pelt has been with the company since 1920 and was one of its oldest employees in length of service. She plans to join her husband in Newport News, Va., in the near future.

Armand L. Sanderson has been named assistant treasurer. He has

**Renewal Commission
LOANS**
LIFE UNDERWRITERS CREDIT CORPORATION
Minneapolis, Minn.



You've heard of this new basic English in which the essential words to carry on a conversation have been reduced to a minimum. Well — at Central Life we talk and think in terms of basic field men's language. When you deal with our officials you don't run into any high hat stuff because all our officials know your problems from experience . . . from actually going out in the field and rubbing elbows with prospects and policyholders.

We know, as you know, that in getting new business there is nothing like a wide variety of low priced contracts in getting a prospect interested. Our preferred risk contract, for example, provides a large amount of protection for a little premium. It is just the contract to sell to bond-buyers and tax-payers who need more protection but use lack of extra cash as an excuse for putting off buying.

Operating on the principle that the only policy which pays the agent is the one that is delivered, Central Life has a standing order . . . "full speed ahead on all apps" . . . so that you can be certain that your policies will be issued promptly.

For further details write:

★
CENTRAL LIFE
Insurance Company
of Illinois

211 W. Wacker Drive, Chicago

Alfred MacArthur, President

been with the company for seven years in the accounting department.

Wolfe Is Assistant Secretary

Seth A. Wolfe, actuary of Home Friendly Insurance Co. of Maryland, has been elected assistant secretary. His new duties will be in addition to those of actuary. He joined the company as actuary in April, 1929, and was elected a director in June, 1943.

Great-West Life Appoints P. S. Bower Treasurer

Perry S. Bower has been appointed treasurer of Great-West Life. Mr.



PERRY S. BOWER

Bower joined the actuarial department of Great-West Life upon graduation from Manitoba university in 1925. In 1930 he was transferred to the investment department, was appointed assistant treasurer in 1933 and manager of bond investments in 1939.

Capital Goes to \$300,000

Capital stock of American Hospital & Life should have been shown in an item as increased from \$200,000 to \$300,000.

NEW YORK

KANE AND KLEIN HONORED

J. F. Kane, Sr., and George Klein, Jr., associate general agent, were joint guests of honor at a dinner given by N. D. Maxcy, general agent of Equitable Society in New York. Mr. Kane, who has continuously represented the company since 1893, is retiring under its pension plan. Mr. Klein is currently the leading agent for the company in the New York area and has already qualified for the million dollar club of his company.

Since 1940, Mr. Maxcy said, the agency's efforts have been concentrated in Brooklyn, with a resultant increase in business of 65%. It has improved its position among New York agencies from 14th to 9th position and from 66th to 47th position nationally in the same period. Agents belonging to production clubs have increased over 300% and the average agent's earnings more than doubled in the past three years.

FRASER, GOLDSTEIN CLOSE RACE

A total of nearly \$15,000,000, exclusive of annuities, was paid for by the Fraser and Goldstein agencies of Connecticut Mutual in New York during the past year. Both agencies showed substantial percentage increases and led the entire company, with individual totals so close as to be virtually a tie. General Agent John M. Fraser with a December production of nearly \$1,000,000 was the winner over the Goldstein agency for the year by a few hundred dollars.

A total of \$9,089,547 of life insurance

and annuities was paid for by the Goldstein agency in 1943.

Pension trust business of the agency is primarily on the ordinary life plan as distinguished from the typical retirement income type of policy in general use in the pension trust field, Mr. Goldstein said. He is the originator of the combination pension trust plan involving the use of ordinary life and a special "self-administered" trust fund generally invested in government bonds, which has added appeal because of Connecticut Mutual's ordinary life policy change of plan clause.

Pension Planning Company and Estate Analysis Company, both of which Mr. Goldstein also heads, have continued to expand their facilities and services. These companies operate on a fee basis exclusively. Over 6,000 employee participants were included in plans designed by Pension Planning Company during the year.

N. Y. LIFE WAR BOND WORK

Employees and agents of New York Life in New York City have organized 77 teams for the sale of war bonds to individuals during the fourth war loan drive. Assistant Vice-president R. C. Johnson is directing the activity.

During the third drive 2,536 employees and agents made cash sales of 27,014

war bonds for \$4,200,335. For the fourth loan 31 additional teams have been organized.

At the organization meeting of team captains Executive Vice-president John S. Sinclair emphasized the importance of the drive.

The captains were given a first hand account of fighting on the Salerno beaches by Private Julius Fiss of the medical corps, who is in Halloran hospital recovering from shrapnel wounds.

CEFOLA IN WASHINGTON

Carl Cefola, who covers New York City insurance news for the New York "Herald Tribune," is now in Washington doing publicity for the fourth war loan drive, having been loaned to the Treasury by his paper. He is specializing in the news of what insurance companies and insurance men are doing in connection with the drive. Mr. Cefola was loaned for similar work in the third war loan drive.

KIBRICK ADDRESSES LEAGUE

Isaac Kibrick of Brockton, Mass., an outstanding producer of New York Life and member of the Million Dollar Round Table, was the speaker at the meeting of the New York League of Life Insurance Women. Mr. Kibrick made a very impressive and stirring talk

in which he included a number of valuable sales pointers.

NEWARK, N. Y. CITY CASHIERS MEET

The Life Agency Cashiers' Association of Newark, and the Life Cashiers' Association of New York will hold a joint dinner-meeting in the home office of Mutual Benefit Life at Newark Jan. 20. Following dinner, members will be shown through the building and a meeting will be held in the recreation room, with home office officials speaking.

Denies Attack on C. C. F. Party

Charges made by M. J. Coldwell, national leader of the Canadian Cooperative Federation party, that a letter sent to the company's agents attacked the party were denied at the Canadian head office of Metropolitan Life. C. C. F. has advocated socialization of the insurance business and Lloyd Shaw, national research director, recently charged monopolistic practices and made other allegations reminiscent of those brought in the T. N. E. C. investigation in the United States in a speech at Halifax.

A letter sent to Canadian agents of Metropolitan by E. C. McDonald, vice-president, discussing the Halifax talk, was called evidence of a "bitter attack" on the party by Coldwell.

OUR

100th

YEAR

1844 — 1944

STATE MUTUAL LIFE

Assurance Company

OF WORCESTER, MASSACHUSETTS

STRONG WITH THE EXPERIENCE OF

ONE HUNDRED SUCCESSFUL YEARS

Union Central Life Top Agents in 1944 Are Announced

A. A. Ebenstein of Los Angeles has qualified as president of Union Central Life's \$500,000 Club for 1944, based on his production during 1943. He was the leading producer for the year, and this is the fourth year in which he has paid for \$1,000,000 or more new business. He gets the bulk of his business from the movie industry.

Dellert Is Vice-president

For the third consecutive year, J. M. Dellert of Chicago has qualified as vice-president of the Club. The \$500,000 Club cup was won by the C. B. Knight agency in New York, the qualifying agents being Schuyler Livingston, S. L. Wolkenberg, D. H. Ward, S. D. Rosan, Samuel Sitomer and L. J. Rosenthal.

Other members of the \$500,000 Club include John Sebastian, Cincinnati, Elmer Grandson, Chicago; J. W. Shoul, Manchester; E. H. Cason and C. P. Shelby, Memphis, C. R. Daggett and Magnus Erickson, Minneapolis.

In 1943, the company wrote over \$60,000,000 of new life insurance in addition to annuities—and scored the largest gain in business in force since 1931.

Calls for Aid on Mail Order Problem

Commissioner Fischer of Iowa in addressing the banquet meeting in Des Moines of the National Association of Accident & Health Underwriters, called upon the agents and companies to get behind legislation to correct the evils associated with unlicensed mail order insurance. Laws should be enacted, he said, for proper supervision of this type of insurance, perhaps requiring a minimum amount of coverage to be included and giving the insurance department extensive authority over advertising material.

This is a proper cause for everyone in the business, he said, because improvement in this direction would increase public confidence in insurance.

The lack of effective supervision of mail order solicitation of limited A. & H. insurance constitutes a weak spot in the defense of state supervision as a whole, he declared. Effective control must be exercised by the domiciliary state.

Mr. Fischer touched upon the Beveridge and Delano social security reports. If the laws recommended therein were passed, he said, it would cause a severe impact upon both health and accident and life insurance and would force important adjustments in the orthodox

insurance program. Private insurance, he said, could and should provide ways and means to meet the demands for cradle to the grave protection.

CHICAGO

Royer's Annual Meeting Held at His Home

James M. Royer, general agent Penn Mutual Life in Chicago, held his annual agency meeting at his home, 66 Woodley Road, Winnetka, Ill.

He has a very delightful residence there in an exclusive home section on the outskirts of the town. Members of the organization and their wives attended the afternoon session and a buffet dinner followed. Mr. Royer is highly pleased with the work of his agency in 1943. Out of his organization there have gone 16 men to the armed forces, many of these being high ranking producers. Yet the agency in 1943 showed an increased volume over the year previous. A gold cup was given to Robert Lotz as the leading salesman for the year. However, volume is not the only consideration employed in evaluating this trophy. In addition to volume, number of lives, amount of premium and general qualifications are taken into consideration.



J. M. Royer

CLARK FOR PRESIDENT

R. M. Clark, vice-president Continental Casualty, has been nominated for president of the Illinois Insurance Federation to succeed L. S. Jones, Ocean Accident, who becomes chairman of the board. The annual meeting will be held at the Hotel LaSalle, Chicago, Feb. 1 at a luncheon. Lillian L. Herring is nominated for secretary. The life insurance men nominated are C. F. Axelson, Northwestern Mutual, member executive committee; L. D. Cavanaugh, president Federal Life, vice-president; C. B. Stumes, Stumes & Loeb, Penn Mutual, vice-president.

The life men nominated for directors are P. B. Hobbs, Equitable Society; W. M. Houze, John Hancock Mutual; George R. Kendall, president Washington National.

CHICAGO MANPOWER SITUATION

The Chicago insurance committee on the 48 hour work week order, effective Jan. 16, did not expect to be able to confer with W. H. Spencer, regional director of the War Manpower Commission, before the deadline to determine definitely what action WMC is likely to take on applications from insurance offices for a modification. Insurance men believe a 40 hour week is indicated. The suggestion is made that each insurance office in its application for a modification refer to the petition prepared by the committee. Then the office could give any additional reasons for its belief that the work week order should be modified in its case. This would mean some uniformity in the filing of individual applications.

HONOR E. E. BESSER, JR.

About 30 members of the Edwin E. Besser, Jr., agency of Lincoln National Life, Chicago, and their wives attended a dinner in his honor Wednesday night. Mr. Besser is observing his 30th anniversary in life insurance. At the same time prizes which his agents won in the October campaign for A. L. Dern, vice-president and superintendent of agencies, were distributed. Mr. Dern and Dr. Walter E. Thornton, vice-president and medical director, attended from the home office. Frank G. Lotito, assistant manager of the agency, was in

Ask Liberalization of 5% Rule as to Type of Cover

WASHINGTON—A proposal is reported to be under consideration at the Internal Revenue Bureau to extend the privilege of paying premiums on life insurance policies up to 5% of employees' compensation without violating the salary stabilization regulations, to other types of life insurance than ordinary life that is now alone permitted.

Lawrence Baker, attorney for the National Association of Life Underwriters, conferred at length with Robert Hannegan, new internal revenue commissioner, and urged such extension. Mr. Hannegan was reported to be "interested and sympathetic."

charge of arrangements. Dr. J. B. Jack, chief medical examiner for the company in Chicago, was a guest. Mr. Besser has been with Lincoln National for 13 years.

BERNSTENE N. Y. LIFE LEADER

Milton M. Bernstene of the Central Branch, in Chicago, led the entire Chicago department of New York Life in paid for business for 1943. In starting his twentieth year in the business he is aiming for the million dollar mark this year. He completes his senior Nylic degree Jan. 1, 1945, at the age of 40.

R. S. EDWARDS FUNCTION

"The Big Ten" alumni day sponsored by the R. S. Edwards agency of the Aetna Life in Chicago will be held at the Hotel Sherman in that city Jan. 20. There will be a luncheon followed by a sales congress on life, accident and group insurance and an open forum on estate control and social security. A reception and banquet will be held in the evening.

TO HONOR WOMEN LEADERS

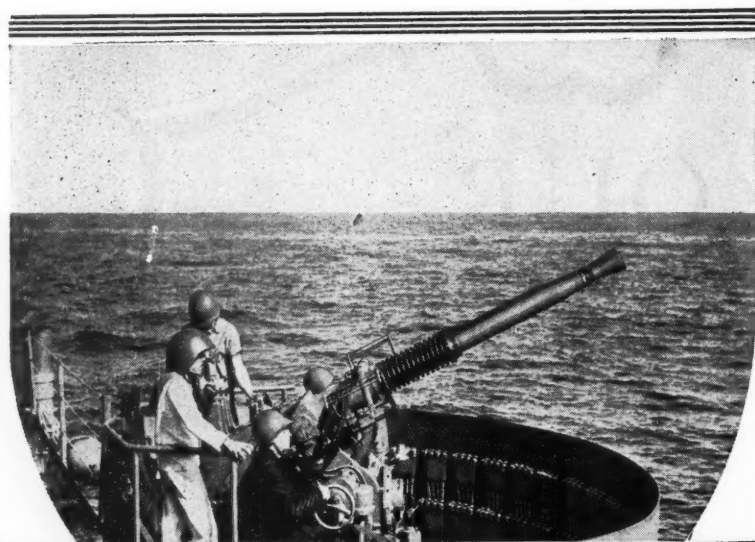
The Women's Quarter Million Dollar Round Table of the National Association of Life Underwriters for 1943 includes five Chicago agents who will be honored by the Chicago association Jan. 27. Membership plaques will be awarded by Louis Behr, president of the Chicago association to Miss Lorraine Sinton, Mutual Benefit, and Mrs. Emma Wolpert, Equitable Society, as first-time qualifiers, and to Miss Sara Frances Jones, Miss Agnes Bruder and Miss Helen M. Zepp, all of Equitable Society, as renewing life members.

The meeting Jan. 27 is sponsored jointly by the Chicago association and the Chicago C. L. U. chapter. George E. Lackey, Massachusetts Mutual, will speak on "Life Underwriter Education Today for Tomorrow."

Await Tex. War Clause Action

DALLAS—The Texas supreme court has taken under advisement the question of whether it will enter a mandamus order against the board of insurance commissioners in the Guardian Life of Texas case. This is the suit to force the department to rescind its order requiring the establishment of a special reserve of \$10 per thousand of insurance written on the lives of men in the armed services without the war clause. The court permitted attorneys for Guardian to amend their petition but has not decided whether the petition should be acted upon by it. It is expected to decide this point early next week. Only Guardian has filed such a petition but Pioneer American and Century, other companies seriously affected, will join in the action if the court decides that it will grant the mandamus.

Superintendent Dineen and Deputy Superintendent Martineau of the New York department were in Washington this week to attend the oral arguments before the Supreme Court on S. E. U. A. and Polish National Alliance cases.



"One of The Best"



This hard-hitting, deadly accurate Bofors gun crew aboard an aircraft carrier is "One Of The Best" teams Uncle Sam has for blasting Jap and German planes from skies throughout the world.

Among Life Insurance companies, Central Life... now in its 48th year... a leader in the low net cost group... with assets of \$1.11 for every dollar of liability... also is recognized as "One Of The Best."

Two Good
Investments
**WAR BONDS
&
LIFE
INSURANCE**

CENTRAL LIFE
ASSURANCE SOCIETY
(Mutual)
HOME OFFICE • DES MOINES

Pension Plans Rejected for Lack of Pay Cut Clause

NEW YORK—Failure to provide for a reduction of contributions and benefits to employees whose compensation is reduced has resulted in the rejection of a number of pension trust proposals submitted to the internal revenue bureau, life insurance men here have found.

Most pension plans provide for an adjustment of benefits according to some specified formula where salaries are increased but sometimes the framers have neglected to include a provision for taking care of salary reductions. The revenue bureau takes the stand that if an employee whose salary has been reduced continues to have the same contributions made on his behalf and to be eligible for the same benefits as would apply when he was getting a higher salary there is a discrimination in his favor and against those who may be earning at his new rate but whose benefits were based on that rate and not upon a higher one.

Hence the revenue bureau insists on a provision, where benefits and contributions are based on salary, that will prevent this type of discrimination.

J. C. Hardin Joins Shenandoah Life

J. C. Hardin, who for many years has been manager at Roanoke for Kansas City Life, and is a prominent figure in state and national life underwriters association work, has joined Shenandoah Life as supervisor of the Roanoke home office agency.

L. N. Whitelaw and K. H. Fisk Advanced by Prudential

Prudential has advanced L. N. Whitelaw to supervisor of ordinary agencies and K. H. Fisk to manager of the bond department. Mr. Whitelaw joined the field staff in 1930 and was called to the home office in 1934 as field instructor in the ordinary agencies department. He prepared Prudential's training course for agents. He will continue and expand his present duties as instructor to the sales force. He has been assistant supervisor since 1938.

Mr. Fisk joined the bond department in 1941, and in September of that year was made assistant manager. Last April he was advanced to associate manager. Before going to Prudential he was in the bond business in New York. He is a son of A. A. Fisk, retired advertising manager of Prudential.

Oregon Agency Well Ahead

The Oregon agency of Equitable Society paid for 17% more volume, 23% more premiums and had more agents qualify for company clubs in 1943 than in the previous year, according to Manager T. H. Groves. Mrs. Mabel J. Keser qualified for the quarter million club and led all the Portland agents.

Phillips, Columbus, Ind., Manager

Henry Phillips, superintendent in the Indianapolis district office of Western & Southern, has been appointed manager of the Columbus, Ind., district. He has been with the company four years. He will supervise company offices in Columbus, Shelbyville, Bloomington and Bedford, Ind.

Robert J. Murphy, assistant manager La Salle ordinary agency of Prudential in Chicago, is the father of a new son, Robert J. Murphy, Jr. He also has a two year old daughter.

Don't let brokerage questions bother you. Get "Who Writes What?" \$2.50 from National Underwriter.

NEWS ABOUT LIFE POLICIES

Civilian Travel Risk Improves

With the Axis powers hemmed in and on the defensive, quite a few underwriting executives are giving thought to the possibility of again accepting applications from civilians where foreign residence and travel is involved. At present only a few companies, such as Metropolitan, Prudential, Equitable Society and United States Life will accept such applicants. Most companies will not take them no matter what extra premiums they might be willing to pay.

Prudential's Liberalizations

The recent liberalizations announced by Prudential on ordinary and on intermediate monthly policies where foreign service is involved reflect the reduced hazard in areas outside of the actual battlefronts. It is possible that the lessened danger of enemy air attacks and the reduced submarine menace may encourage many companies to accept applicants who are subject to the hazards of foreign travel.

Folz Associate Actuary

Clifford H. Folz, heretofore assistant actuary, has been promoted to associate actuary of Western & Southern Life. He graduated from University of Michigan in 1922 and went with Western & Southern in 1933 as manager of the policy loan division.

Colonial Life Now Issues Single Premium Form

Colonial Life now is writing a single premium whole life, ages 10-65, inclusive. Rates at quinquennial ages are:

Age	Prem.	Age	Prem.	Age	Prem.
10	\$336	30	\$470	50	\$664
15	364	35	514	55	718
20	396	40	561	60	772
25	430	45	612	65	823

L. L. Newman Hits Fast Pace

Lowell L. Newman of Fort Wayne, Ind., battling for Penn Mutual leading producer championship, paid for 49 lives for \$752,570 life insurance volume in December alone.

Vogel Agency Wins Honors

The William S. Vogel agency of Columbian National Life at Newark won the "Victory" trophy for paying for the most business in the last three months of 1943, and also led in paid for life insurance for all of last year. It had the best year in the history of the Newark office. A banquet will be held in Newark at which a number of home office officials will attend. Special awards will be made to members of the agency.

Luquire Insurance Company, burial company of Birmingham, Ala., has changed its name to Family Reserve Insurance Company.

Revised Rates of Home Life Are Shown

Home Life, N. Y.

181

PREMIUM RATES PER \$1,000 (Participating)

Am. Exp. 3%

† Whole Life

† Pay-able at death

† Pay-able at death

† Pay-able at death

† Pay-able at death

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U. S. High Court to Decide Okla. 4% Premium Tax Fight

WASHINGTON—An effort to obtain a refund of \$8,189 premium taxes paid under protest in Oklahoma during 1941 is involved in the case of Great Northern Life vs. Jess G. Read, Oklahoma commissioner, which the U. S. Supreme Court has agreed to review and in which it has received briefs on both sides. The circuit court of appeals had affirmed judgment for Read rendered by the federal court for western Oklahoma. The case arose under the fourteenth amendment to the constitution.

An Oklahoma law passed in 1941 after Great Northern had received its usual renewal of license doubled the annual tax to 4% on premiums received by foreign insurers. This was paid by Great Northern under protest.

Insurance companies, domestic in Oklahoma and competing with Great Northern, the latter's brief says, "do not pay any kind or type of taxes to the state which are not also paid" by Great Northern, except a state income tax from which foreign companies are exempt.

Between 1907 and 1941, according to the brief, the Oklahoma department collected under the then 2% tax and for entrance and agents' fees, \$25,585,107. During that period the department's expenses aggregated \$910,107, or 3.55% of receipts. Since 1941, under the doubled tax, it is stated, departmental expenses have been only 2% of gross receipts.

Great Northern charges that it is threatened with deprivation of property and investment in Oklahoma by collection of the taxes "under duress" that the Oklahoma law is unconstitutional, contravening the 14th amendment, because the tax is imposed upon Great Northern and not upon domestic companies.

Commissioner Read contends in his brief that this suit is really against Oklahoma, brought by a citizen of another state in violation of the 11th amendment to the Constitution, because the state has not consented to be sued for recovery of taxes paid under protest except in its own courts.

The controversy did not arise under federal laws or constitution, Read asserts, likewise that the tax is not invalid, and that the commissioner did not make improper application of the law by requiring foreign insurers to pay 4% tax on premiums in order to obtain a license to do business in 1942.

Lincoln National Life has a similar case pending before the Oklahoma supreme court and it filed a brief with the U. S. Supreme Court in the Great Northern case.

While Great Northern does not raise the issue that any premium tax, which applies to a foreign insurer but not to a domestic company, is discriminatory, some observers believe that if the Supreme Court gives a favorable decision to Great Northern in this case the way may be paved for raising such an issue in the future.

Great Northern contends that the increased tax in Oklahoma is what might be called an out and out tax rather than a privilege tax, whereas the Oklahoma authorities contend that it is a privilege tax. The law became effective in April of 1941 and the increase was applicable to premiums during the year commencing Jan. 1, 1941. Great Northern asserts that fact establishes that it is not a tax for the privilege of doing business in the state for the ensuing year but is a tax upon business already done. It is contended that increasing the tax upon foreign insurers without at the same time making any increase in tax on domestic companies constitutes discrimination. Under the stipulation of facts it is stated that the domestic insurers in Oklahoma pay about one-twentieth of the tax that is paid by foreign companies.

RATES WITH DISABILITY (Waiver of Premium) (Male)

Age	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
17.12	17.53	18.00	18.46	18.92	19.38	19.84	20.30	20.76	21.22	21.68	22.14	22.60	23.06	23.52	23.98	24.44	24.90	25.36
19.34	19.70	20.06	20.42	20.78	21.14	21.50	21.86	22.22	22.58	22.94	23.30	23.66	24.02	24.38	24.74	25.10	25.46	25.82
22.16	22.46	22.76	23.06	23.36	23.66	23.96	24.26	24.56	24.86	25.16	25.46	25.76	26.06	26.36	26.66	26.96	27.26	27.56
25.88	26.18	26.48	26.78	27.08	27.38	27.68	27.98	28.28	28.58	28.88	29.18	29.48	29.78	30.08	30.38	30.68	30.98	31.28
30.86	31.16	31.46	31.76	32.06	32.36	32.66	32.96	33.26	33.56	33.86	34.16	34.46	34.76	35.06	35.36	35.66	35.96	36.26
37.50	37.80	38.10	38.40	38.70	39.00	39.30	39.60	39.90	40.20	40.50	40.80	41.10	41.40	41.70	42.00	42.30	42.60	42.90
46.46	46.76	47.06	47.36	47.66	47.96	48.26	48.56	48.86	49.16	49.46	49.76	50.06	50.36	50.66	50.96	51.26	51.56	51.86
58.51	58.81	59.11	59.41	59.71	60.01	60.31	60.61	60.91	61.21	61.51	61.81	62.11	62.41	62.71	63.01	63.31	63.61	63.91

Semi-annual rate is 51% of annual; quarterly, 26%; monthly, 8.33%.

*Minimum \$5,000; maximum \$2,000.

†20 Year Plan paid up in 17 years; to Age 65, paid up age 62. Minimum \$2,500.

(a) Face amounts: Male age 60, \$1,784; age 65, \$1,587; Female age 60, \$1,908. At maturity, \$10 monthly life income, 120 months certain. Face amount payable at death before maturity.

(b) Income payable for 20 years from death; face amount then payable. Minimum \$2,500.

Limits—Participating policies from \$1,000 to \$200,000; reinsurers over \$75,000; does not accept reinsurance. Ages 10-65.

EDITORIAL COMMENT

Recruiting from Its Own Ranks

One of the younger executives who is greatly interested in recruiting takes the position that life insurance should put itself if possible in a position where very desirable young men will seek its employment rather than have life insurance recruiters beat the bushes in the hope of securing desirable talent. In many of the large businesses men are lured to them by reputation, character of work, because of courses pursued, etc. No pressure is used. The man seeks the place. They hope to secure a connection with some profitable industry.

However, the point is made that in the progressive and highly successful organizations they recruit largely their own men from their own ranks. They start men down at the bottom getting likely material and then develop these young men until they reach the higher brackets. By the time they are ready to assume administrative duties they have had a splendid course of training in the organization itself. They have stepped up the ladder rung by rung, become well acquainted with the concern, its management and key men. They have become proud of it and are enthusiastic over it.

No Reconversion in Insurance

Insurance is in a singularly fortunate position as far as postwar activities are concerned. There will be no need of reconversion of its machinery and methods of doing business. It is already geared for any conditions confronting it and all it needs is setting a different tempo and adapting itself to changed conditions that in some ways affect the business.

It is not faced with months of idleness

The suggestion is made that life insurance might do much more of this same kind of recruiting. For instance, when young people are employed in a cashier's department or some other business section they may not be very selective and endeavor to get those of superior attainments and excellent promise who will ultimately go into the agency field. Now no account whatever is made of sales ability or any characteristics that point to successful achievement in that line later on. By getting promising material early, training young people in the right way, there is a splendid opportunity to develop very successful agents. Some offices are doing this very thing now. There is a big advantage in a man knowing his organization from top to bottom. He does not have to be told anything about it. Instead of attempting to make an agent out of a person in two or three weeks this young man who started early in life in the business has had a period of several years training. He has developed in an orderly fashion. It seems to us that there is much merit in the suggestion that this form of recruiting will be found exceedingly profitable. It is a truly post war procedure.

ness while revamping processes are going on. There is no need for radical changes or reconstruction. Insurance is needed at any time in whatever plight the people and business find themselves. Insurance producers are fortunate in being able to ply their trade in season and out regardless of economic and world conditions. There is always a need for protection. There is no other calling in so advantageous position.

Getting Back to Worn-Out Road

A number of companies that are very strong on quality agents are fearful that the present conditions may lead the business back to where it once was in the way of a much weaker and poorer type of producer. So many young men have been inducted into the service that agencies are put to it to obtain salesmen. Hence they are lowering their standards and weakening their demands as to type of agents.

A great movement had started to trim out the underbrush, have fewer salesmen but make them men of successful achievement and high standing. They

were leaving a more favorable impression on the public.

Some companies are pressing their managers and general agents very hard for production and the latter find it difficult and at times almost impossible to get men that will measure up to former standards. Hence they seek older men, those that have failed in other callings or those that are casting about for some sort of a guarantee. Pressure has become exceedingly strong and those who have made a study of the field say that the present situation is not heartening by any means. There are

too many misfits getting back into the sales organization, too many incompetents, too many of the unsuccessful.

The same principles and courses adapted for recruiting heretofore used cannot be put into effect with any de-

gree of success these days. The times are so entirely different because of the dislocation caused by war. Cast offs from agencies are readily picked up by other offices. There is seen a rather general decadence and deterioration.

PERSONAL SIDE OF THE BUSINESS

Alfred MacArthur, president of Central Life of Chicago, and Mrs. MacArthur entertained a sizable group of home office people, directors of the company and their wives, insurance department representatives and other friends of the company at dinner and theater Monday. The group gathered for dinner at the Electric Club and then went to the Olsen & Johnson show, "Sons O' Fun." Central Life got frequent mention throughout the evening in the ad libbing of the actors. It was the birthday of Miss Maggie Mills, who has been connected with Central Life 28 years and she was presented with a cake during the show. Probate Judge O'Connell of Cook county was one of the guests.

H. H. Frank, former agent of Prudential in Kansas City, has been made director of the safety and technical division of the War Production Board in Washington.

Claris Adams, president of Ohio State Life, will be presiding officer and toastmaster at a dinner co-sponsored by the Ohio development and publicity commission and Columbus Chamber of Commerce in conjunction with the National Forecast Council to be held in Columbus Feb. 2. Speakers will include George F. Kettering, vice-president in charge of General Motors research work, and Gov. Bricker of Ohio.

A. S. Burkart, vice-president and general manager of Conservative Life of South Bend, Ind., who suffered an attack just prior to a directors meeting Dec. 23 and was taken to the hospital, returned to the office Monday. He is allowed to remain only a few hours each day. Mr. Burkart has just completed 50 years in the insurance business. He started with Prudential at Detroit as cashier. After many years with that company he opened a general insurance agency in Detroit and retained an interest in life insurance. In 1912 he went with Public Savings Life of Indianapolis in which he was a stockholder and then went to South Bend as manager. In 1914 he became general manager of Conservative Life.

The marriage of Mary Lou Robison, and Ensign Patrick F. Koenigsberger, took place Monday at Annapolis naval academy chapel. She is the daughter of William LaVon Robison, general agent at Minneapolis for Mutual Life of New York.

Barrett M. Woodsmall, who resigned as vice-president of the American Service Bureau and assistant to the manager of the American Life Convention as of Dec. 31, to rejoin his father in the H. H. Woodsmall agency at Indianapolis at a luncheon there, given by Wendell P. Coler, vice-president and actuary of American United Life.

Lee N. Parker, president of the Bureau, went to Indianapolis to attend the

luncheon. The other guests were some 15 officials of Indianapolis companies. Mr. Coler was actuary of the American Life Convention at the time Mr. Woodsmall joined the Bureau, and they were closely associated in the work for some time.

R. H. Kastner, acting manager and associate counsel American Life Convention, has been appointed by W. H. Atherton, national commander of the American Legion on its rehabilitation insurance advisory committee. Other insurance men on the committee are H. J. Brace, vice-president and secretary Occidental Life of Los Angeles and A. F. Jacques, second vice-president Prudential.

Howard J. Brooks, Richmond manager Shenandoah Life, is back on the job after recuperating three months from an operation.

H. Lee Minton, Milwaukee manager of Travelers, announced the engagement of his son, H. Lee, Jr., a midshipman, to Miss Doris Wage, Manitowoc, Wis. Midshipman Minton is attending a navy supply school at Harvard and will be commissioned an ensign in the naval reserve upon graduation. The young people attended University of Wisconsin.

Harold R. Geef, Prudential, was elected first vice-president of the Progress Club of Peoria.

Frank E. Garey, Lincoln, district agent of Equitable Life of Iowa, has been re-named sales director of the war finance committee for Lancaster county, Neb., for the Fourth War Loan. Mr. Garey made an outstanding success of the third drive, when the goal was exceeded.

N. D. Maxcy, general agent Equitable Society, is general vice-chairman of the Red Cross war fund drive in Brooklyn.

J. P. Watson, who ranked fourth in premiums in the Davenport agency of Equitable Life of Iowa was honored guest at a luncheon on the occasion of his twenty-fifth anniversary with the company. A diamond service emblem from President F. W. Hubbell was presented to him by Newell C. Day, general agent.

The agency had its best year, increasing new premium 51% over 1943. Both Mr. Watson and Mr. Day joined Equitable at about the same time, Mr. Day's twenty-five years will be completed Jan. 22.

J. A. Reinhart, Wichita manager of Bankers Life of Iowa, has been installed as vice-president of the Cooperation Club.

Elmer H. Dearth, former Minnesota commissioner and later prominent in the casualty business in Michigan, was honored by members of the Elks club of St. Paul on completion of 52 years as an Elk. He was presented a pipe.

Virginia Hedges, daughter of Bert A.

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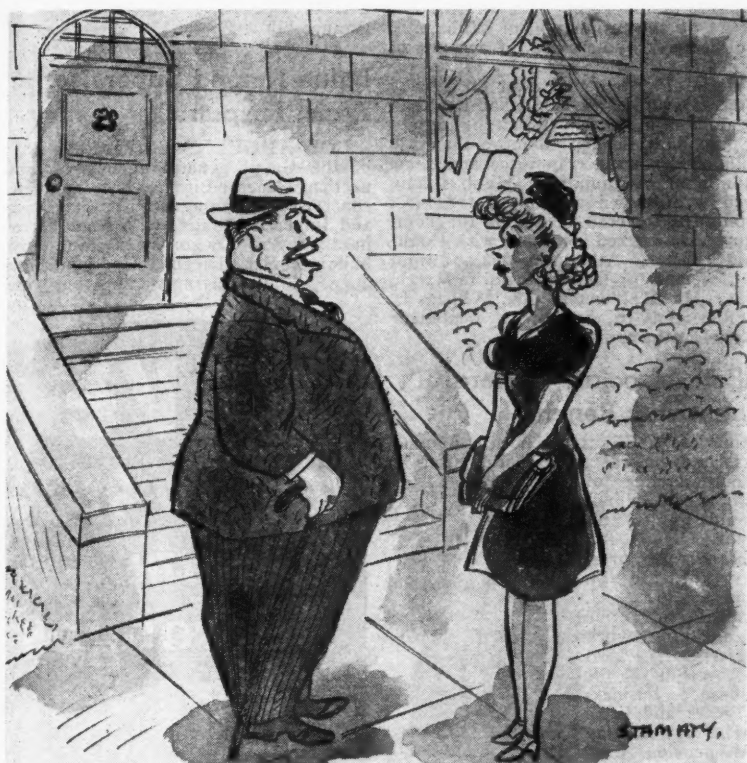
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"Would you like to come up and look at my insurance policies?"

Hedges, Kansas manager Business Men's Association, who is now attending the University of Illinois, is to be married in the spring to Capt. Ralph Aldenderfer of Lincoln, Ill., now stationed at Chanute Field, Ill., as an army air corps instructor.

DEATHS

Walker Leach, who retired from the life insurance business at Knoxville, Tenn., in 1943, died in Walter Reed hospital, Washington, D. C. He was an "all-Southern" football player at University of Tennessee, won the Distinguished Service Cross in world war 1, and was a colonel in the Tennessee state guard at the time of his retirement.

Louis S. Hofmayr, 87, Metropolitan Life agent at Rochester, N. Y., 28 years, died there.

George D. Telfer, 89, who for more than 30 years was engaged in life insurance work, died recently at his home in Wild Rose, Wis. He began working at Milwaukee in 1913 for New York Life, and a short time later moved to Minneapolis where he continued in insurance work.

John E. Mahar, who was manager

for Prudential at Hartford until his retirement in 1932, died at his home in West Hartford. From 1932 until his death he was vice-president of the Industrial Bank of Hartford. Mr. Mahar in 1890 was appointed industrial agent by Prudential at Worcester, Mass. In 1891 he became manager. In 1902 he transferred to Kingston, N. Y., as manager and in 1921 to Hartford in that capacity.

Glenwood E. Yancey, 75, for 30 years a special agent of New York Life in Kansas City and vicinity, died after a short illness.

L. A. High, former manager of the Marion, O., and Columbus agencies of Ohio State Life, died in Grant hospital, Columbus, after a year's illness. His wife and two sons, one in the service in the south Pacific, survive. A brother, E. F. High, is head of the High Insurance Agency, Columbus. L. A. High joined the accounting department of Ohio State Life in 1918 and was district

representative in Crawford county when he was made manager at Marion.

Millard Rewis, 57, agency organizer in Raleigh, N. C., for the Charlotte branch of New York Life, died.

Thomas Patton, who for 30 years was associated with the Columbus Mutual Life, died at his desk in the home office due to a heart attack.

Arthur Gilmour of the Gilmour & Dare agency at Pittsburgh, general agents of the Midland Mutual Life, died last week.

G. C. Glascock, agency manager of Ohio National at Hutchinson, Kan., for many years and former president of the Hutchinson Life Underwriters Association, died following several months of ill health.

Lieut. James B. Sharp, 28, associated with the mortgage loan department of Northwestern Mutual Life before he entered military service in June, 1941, was one of 25 soldiers killed when two four-engine bombers crashed near the Wendover air base, Utah, recently. His wife, whom he married in December, was at the flying field when news of the crash came. The wreckage was discovered several days after the accident.

Newton T. Webb, 56, territorial manager of National Life & Accident in Nashville, Tenn., died following an extended illness. He was an agent for National Life at Dallas 1913-1926, then assistant manager of western territory. In 1938 he became manager of the northwestern territory.

Andrew W. Coffman, 56, an agent of Cosmopolitan Life in Memphis, Tenn., until ill health forced his retirement, died at Oakville sanitarium.

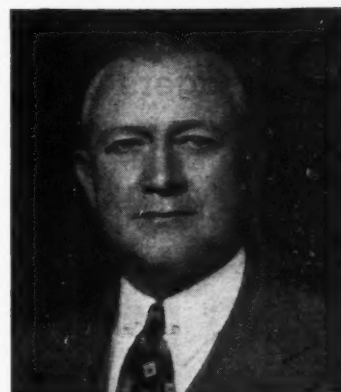
Observes Golden Anniversary

Western Life of St. Louis observed its golden anniversary with a family dinner party for officers, directors, home office employees and general agents. Horace G. Beedle, who became its president in 1907, was chairman and spoke briefly. Carlton G. Haizlip, who organized the company in 1894, told of its progress through the years.

Charles L. Kell, vice-president and director of agencies; Margaret F. Williams, treasurer; Carroll Nelson, actuary; Louis Seals and Walter A. Nies, directors, also spoke.

A court order to compel **Citizens Mutual Benefit** of St. Louis, Negro fraternal, to cease writing insurance is sought in quo warranto proceedings filed by Attorney General McKittrick.

30 Year Man



WALLIS BOILEAU, JR.

Wallis Boileau, Jr., second vice-president of Penn Mutual, has completed 30 years with the company. In 1914, after three years as secretary to George Wharton Pepper, he entered the agency department as stenographer, and has been secretary to the vice-president, underwriter, assistant to the vice-president, superintendent of agencies and second vice-president since 1936.

In his youth he won a gold medal for speed typewriting, and was a baseball pitcher and a member of the Penn Mutual tennis team. Today he is still interested in singing and amateur theatricals.

He was associate editor of the *News Letter* at its beginning, and at that time wrote much of the company's advertising literature.

Having two sons officers in the army, he serves as a member of the coast guard temporary reserve, giving one night a week to river patrol duty on a small-boat because of experience as a yachtsman.

His father, the late Wallis Boileau, Sr., was connected with the home office agency of Penn Mutual.

Columbus Cashiers Hear Barr

Robert H. Barr, conservation manager of Columbus Mutual Life, addressed the Columbus Life Agency Cashiers Association on "To Be or Not to Be." Enthusiasm for a life insurance job well done was especially stressed.

Mrs. Frieda L. Griffith, Peoples Life Frankfort, Ind., closed the year by writing over \$51,000 in the last three months.

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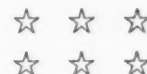
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Pilot Life Insurance Company

GREENSBORO, N. C.

Emry C. Green, President

LIFE AGENCY CHANGES

Two New Mutual Life Managers

Ralph H. Ruch and Edward E. Waller have been appointed agency managers by Mutual Life. Mr. Ruch will succeed Harry F. Overley at Louisville, and Mr. Waller will succeed E. Guy Owens at Oklahoma City. Messrs. Overley and Owens are retiring under the



R. H. Ruch



E. E. Waller

company's retirement plan after 48 and 42 years of service.

Mr. Ruch, a training assistant at the home office since 1942, joined the company at Winchester, Tenn., in 1936. Although he worked in the rural districts surrounding a town of only 1,500 people he earned associate membership in the company's National Field Club his first year, covering the territory without an automobile. Subsequently he was appointed district manager at Chattanooga, and in 1938 was named agency organizer at Nashville. At the home office he has assisted Ben Williams, director of training, in supervising the educational and training program for agents in the southern territory. He received his C. L. U. designation in 1942 and is a graduate of the Sales Research Bureau school of agency management.

Mr. Waller entered life insurance in 1928, was appointed agency organizer for Mutual Life at Savannah, Ga., in 1931. He went to the home office in 1942 as a training assistant, covering the east central and then the middle west territory. He is past president of the Savannah Life Underwriters' Association and an organizer and former vice-president of the Georgia Association of Life Underwriters. He is a graduate of the research bureau agency management school.

Paul D. Conley, assistant superintendent

of Prudential's Huntington Park office, has been made superintendent of the Los Angeles No. 2 office.

Great-West in Pa.; F. G. Higham Phila. General Agent

Great-West Life Assurance has entered Pennsylvania and has appointed the Frederick G. Higham agency of Philadelphia as general agents.

The agency will be headed by Frederick G. Higham, known for many years in business circles in Philadelphia as a partner of the Higham-Neilson Co., whose continuing activities will not be affected by the new arrangement. Mr. Higham has had more than 20 years experience in the life insurance business and has been an outstanding personal producer, his yearly personal sales on several occasions exceeding the million dollar mark.

The office will be in the Broad Street Station building.

The Higham-Neilson Co. has been representing Equitable Society, Provident Mutual and Prudential.

Childs to Denver for Minn. Mutual

Minnesota Mutual has appointed C. E. Childs as general agent in Denver, to succeed Clifford L. Hoon, who retired after some 15 years of successful experience, because of ill health. The Hoon, because of the high altitude in Colorado, have moved to the west coast.

Mr. Childs started with Minnesota Mutual in 1939 as general agent at Danville, Ill. Then he worked in the home office agency department for two years. Mr. Childs did some development work in Minnesota at first, and later devoted his time largely to development of the company plan for new organization within existing agencies.

Shaffer in Charge of Union Central Cleveland Agency

Harry J. Shaffer, assistant superintendent of agencies of Union Central Life, has been temporarily placed in charge of the company's Cleveland agency pending reorganization of the office. The man-

agement of the agency was vacated last Oct. 1 by the resignation of William L. McPheeters, who retired on account of ill health.

Mr. McPheeters took over the agency some 26 years ago when it had less than \$5 million in force. When he retired he had built this up to more than \$30 million of insurance in force and some \$5 million of annuities. He has long been well known as one of the most prominent general agents of the company. He entered insurance with Equitable Society in Atlanta in 1902 and went to Cleveland for Union Central in March, 1918. Mr. McPheeters' son, William L. McPheeters, Jr., is now a lieutenant colonel in the army.

Elliott Associate General Agent with Rench

Charles A. Elliott has been appointed Associate general agent of the Fred T. Rench agency of National Life of Vermont in St. Louis.

He is a past president of the St. Louis C. L. U. chapter and active in educational work there. Mr. Elliott has been in the life insurance business 15 years and is an authority on tax and pension trust matters.



C. A. Elliott

Mr. Elliott was with John Hancock for 11 years as sales and brokerage manager in St. Louis. Previously he was clerk, cashier, then office manager. He joined the Rench agency in October, 1941, as manager of the brokerage and surplus lines department. He also served as adviser in medical underwriting, tax and business insurance matters.

Mr. Rench has been general agent in St. Louis for National Life of Vermont for 32 years and in May will round out 40 years in the business.

Insurance Bills Slowed Down

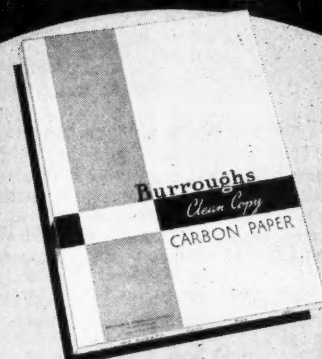
WASHINGTON — Muster-out pay legislation for members of the armed services gets the right of way before the House committee on rules this month, to the detriment of proposals for a green light for the insurance anti-trust exemption bill. It was stated at the rules committee that "a number of members" of Congress wish to be heard on the latter proposal. Representative La Follette, Indiana, is one of these. It is possible that the rules committee may also give consideration to a request for a rule on

aviation legislation in advance of the insurance bill.

Balue Named Supervisor to Assist Fitzpatrick

LOS ANGELES—Richard A. Balue of the Gastil general agency of Connecticut General Life has been appointed supervisor of the agency for San Diego and Imperial counties with headquarters in 1242 San Diego Trust & Savings building, San Diego. He joined the agency in 1937 as agent and four years

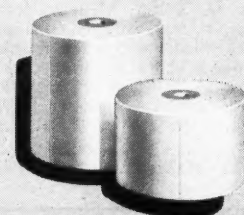
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COLUMBUS, OHIO

later was appointed manager of the life department of Ray Underwood Associates, representing Connecticut General in Long Beach. There he did an outstanding job.

Connecticut General has had a district office in San Diego since 1934, and has a substantial volume of life and group insurance in force in the territory. Ward Fitzpatrick has been San Diego district manager since the office opened. He has been a consistent leading agent and has led the entire southern California agency for the last two years. In 1942 he ranked first in the entire company and in 1943 finished second.

Mr. Balue will assist Mr. Fitzpatrick in serving accounts in that territory and will select and train new agents.

Travelers Makes Changes at L. A., Columbus and Dallas

Arthur J. Frith, manager of the life department of Travelers at Los Angeles, has been appointed advisory manager there. Ralph E. Bridges, associate manager, has been advanced to manager.

George J. Schorr, Columbus, O., has been appointed field assistant there. From 1934 to 1943 he was employed as a trust accountant at the Ohio National Bank in Columbus.

Judson A. Thompson, Dallas, has been appointed field assistant there.

Cal.-Western States Names Noyes at Sacramento

Edward E. Noyes, for 17 years manager for Travelers of the Sacramento area, has been appointed manager of the Sacramento agency of California-Western States Life. A native of Wisconsin, Mr. Noyes has spent the greater part of his life in California. He has been vice-president of the Sacramento Life Underwriters Association and president Sacra-

mento Life Managers Association.

He succeeds Robert E. Murphy as Sacramento agency manager. Mr. Murphy recently was appointed vice-president and manager of agencies of the company to fill the vacancy caused by the death of Raymond P. Cox last October.

Branch Goes with Canada Life

W. A. Branch of Pontiac, Mich., has resigned as supervisor for Metropolitan Life in Oakland county, Mich., to become district agent for Canada Life in Muskegon, opening a new office for that company. He resigned as president of the Pontiac Association of Life Underwriters.

Greenfield Resigns at Detroit

DETROIT—A. W. Greenfield, general agent of General American Life here since 1938, has resigned and soon will announce another connection. After having been manager of the life department of Marsh & McLennan in Detroit, he went to the home office of General American in 1935 as manager of group sales. Three years later he was placed in charge of the Detroit agency. He is treasurer of the Associated Life General Agents & Managers.

Miller Promoted at Indianapolis

Norman R. Miller, supervisor in the William H. Meub agency in Indianapolis for New England Mutual Life since 1939, has been advanced to assistant general agent.

Forth with Home Life

W. Russell Forth, recently honorably discharged from the army, has joined Home Life at Rochester, N. Y., as supervisor under Edgar S. Hassard, general agent.

Richard D. Ryan of Durant, Ia., has been appointed district manager in east-central Iowa for the Equitable Society, with headquarters in Cedar Rapids.

Behrns Returns to the Fowler Chicago Agency

Edgar C. Fowler, general agent New England Mutual Life in Chicago, announces that George C. Behrns, formerly connected with his office has returned to it and becomes an agency assistant. He started with Mr. Fowler as an office boy, has advanced along the line until he took charge of the brokerage department, showing great promise. He left Mr. Fowler to join the Aetna Life, went through its school at the head office and was sent to Detroit, being made a supervisor.



G. C. Behrns

Building Administrative Staff

Mr. Fowler is building his administrative staff, already having two agency assistants, W. H. Bramhall and George E. Gruendel. The Fowler agency was established in 1846 as the original New England Mutual Life office in Chicago. It now has over \$60,000,000 life insurance in force not including annuities. Mr. Fowler had not looked with favor on pension trust business until recently. He was very much undecided in his own mind as to whether these trusts were of value to a company. He now has decided that they are and hence he is gearing his organization to become active in that field. The three agency assistants

will take the lead in mapping out programs for this line.

Mr. Behrns graduated from the Life Insurance Sales Research Bureau's managers school held in Chicago. While serving at first in the Detroit office of the Aetna Life as supervisor he later became assistant manager.

Walker Is Shepard Associate

Walter T. Shepard, general agent of Lincoln National Life in Los Angeles, has appointed Robert Walker as associate general agent. The agency ranked first among all agencies of the company for 1943.

Siegel Assistant Manager

William C. Smerling, manager of Connecticut General Life's new branch office in New York City, has appointed Arnold Siegel assistant manager. Mr. Siegel is a native of Brooklyn whose first job was as office boy with a life insurance agency in New York City, subsequently advancing to assistant cashier. For the last 5½ years he has been selling life insurance, more recently as brokerage manager. He will assist Mr. Smerling in a brokerage supervisory capacity.

Licenses Required in Neb.

The Nebraska real estate commission, a state board, has issued a ruling that all employees of insurance companies dealing directly or indirectly in the sale, rental, leasing, managing or appraising of real estate must obtain a state realtor's license. The ruling applies whether the employee is paid a salary, commission or both.

PEOPLES LIFE INSURANCE COMPANY

From the day the corner stone was laid, thirty-seven years ago, the builders of Peoples Life Insurance Company have made a dream into a tangible reality—a company whose methods of business, policy contracts and friendly service and cooperation with their underwriters are second to none.

Figures of the achievements of the past year, and years, are proof of the uncompromising standard of honesty, the unselfish desire to be of service and the triumphant fact that the Peoples Life, sturdy as the oak, stands ever ready to continue the guaranteed protection of life insurance regardless of conditions.

You will find it pays to be friendly with



PEOPLES LIFE INSURANCE COMPANY

FRANKFORT "The Friendly Company"

INDIANA

LITTLE HUMAN TOUCHES MAKE THE GREAT INSTITUTION



The Story of the Broken Appointment

A man, very fond of his family, wanted to do his best for them. So one day he insured his life for \$10,000. When he made his first payment, his agent said, "Even this first payment gives a liberal 'cash value' to your policy." But the man paid little attention. He could not know then *what a blessing this would be for his family.*

During the year, things went badly. He was unable to make his second payment. But his company said, "The large 'cash value' in your first payment will let us extend your insurance for some time." But even the "extended" time drew toward an end. This man became unhappy at the prospect of having no insurance. He made an

appointment to get himself insured again. He never kept that appointment.

For, in the evening of the day before he was to meet his agent, he was killed in an automobile accident.

Now this man had made but one payment on his policy. Yet his insurance company promptly sent his widow its check for \$10,000. Because so large was the "cash value" in that first payment that his insurance was still effective at the time of his death, *eight months and three days past the first year.*

QUESTION: Now which company is known for its liberality in generally allowing cash values after one premium payment?

ANSWER:

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

NEWARK, NEW JERSEY

(From our series of advertisements in the Saturday Evening Post)

NEWS OF LIFE ASSOCIATIONS

Moynahan and Rosenthal on Oklahoma Program

J. D. Moynahan of Berwyn, Ill., manager of Metropolitan Life, and Adam Rosenthal, St. Louis, manager Acacia Mutual, will address the annual sales congress of the Oklahoma Association of Life Underwriters scheduled for Jan. 28. Irvin Hurst, New York Life, is publicity director. The theme is "War-time Selling," Mr. Rosenthal will talk on "Let's Do It the Easy Way."

Oklahoma Bond Sale Is Being Organized

The Oklahoma life men have taken over the pay roll savings division of the state war finance committee, with J. H. Wilson, general agent Massachusetts Mutual, as state chairman. County and city chairmen are being appointed. F. P. Johnson, Tulsa, general agent Fidelity Mutual, is co-chairman in charge of eastern counties, and Mr. Wilson will have charge of western and central Oklahoma. Glen Talbert, manager of Metropolitan, is chairman for Oklahoma county and A. V. Todd, Prudential, of Tulsa county. George Summy, Phoenix Mutual, is city chairman for Oklahoma City, and Waldo Richardson, Bankers Life, for Tulsa.

Sales Clinics to Be Held by St. Paul Group

ST. PAUL—A series of three sales clinics will be conducted in January and February by St. Paul Life Underwriters. At the first meeting Jan. 14, Vance L. Bushnell, second vice-president Equitable Society, will speak on "What We Have to Sell."

This will be followed Jan. 28 by a talk on "To Whom We Sell" by W. R. Jenkins, sales director Northwestern National Life. The final meeting Feb. 23 will be addressed by T. H. Tomlinson, assistant superintendent of agencies Bankers Life of Iowa, on "How We Sell." The meetings will be open to agents and policyholders.

Announce Hedges' Schedule in Southern California

LOS ANGELES—The schedule for the visit of President Herbert A. Hedges of the N. A. L. U. to southern California has been completed. He will be

accompanied by Hugh S. Bell, general agent of Equitable Life of Iowa in Seattle.

President Hedges will speak before the Pasadena association at noon, Jan. 26; Long Beach that evening, and Los Angeles Jan. 27, the latter meeting to be followed by an all-day conference with the presidents and officials of southern California local associations.

Mr. Bell will address the Santa Barbara-Ventura association Jan. 25, and also the San Diego association.

Northern Cal. Caravan Plans

Plans are now being completed by Edwin T. Golden, New York Life, chairman of the speakers and caravan committee of the San Francisco Life Underwriters Association, and Gordon Coryell, Mutual Life, co-chairman, for visits to outlying associations in northern California. Programs will be presented before the Sacramento, Stockton, San Jose and Fresno associations.

Jaqua to Talk in Dallas

A. R. Jaqua, editor of the agents' edition of "Diamond Life Bulletins," will address the Dallas Association of Life Underwriters Jan. 20 on "How the Leaders Do It." Directors of the Dallas association will meet prior to the luncheon.

Mr. Jaqua will talk to the Life Insurance Managers' Club of Dallas Jan. 19 on "Trends."

Smith Makes Four Ohio Talks

Paul M. Smith, of Columbus, general agent of New England Mutual Life and president Ohio Association of Life Underwriters, will speak before the local associations in East Liverpool Jan. 18, Steubenville Jan. 19, Cincinnati Jan. 27, and Chillicothe Jan. 10.

Fort Wayne, Ind.—The first meeting of the educational round table was held with Ken Robinson, district manager Mutual Life of New York, leading a discussion of "Business Insurance in Proprietorships." Carlos E. Harrison is chairman of the educational committee. Subjects for succeeding meetings, which will be held fortnightly, are business insurance and partnerships, business insurance on key men, and business insurance in stock retirement plans.

Topeka—Dr. Kenneth McFarland, superintendent of schools, addressed the first meeting of the new year.

Utah—President Hedges of the National association is scheduled to address a special meeting in Salt Lake City Jan. 22. A. M. Jacobs is president. Hugh

Bell, Seattle general agent of Equitable Life of Iowa, also will speak. The Salt Lake, Ogden, Provo and Logan associations will be largely represented. Jack W. Lawrence, Salt Lake, is general chairman.

Boston—J. R. Montgomery of Philadelphia, outstanding producer of Phoenix Mutual Life, spoke on "I Still Sell Life Insurance." Past presidents of the Boston association were honor guests.

Los Angeles—President George A. White of State Mutual Life spoke at a breakfast meeting Jan. 13.

Minneapolis—Vance L. Bushnell, second vice-president of Equitable Society, addressed the Thursday meeting on "What We Have to Sell." The chairman of the meeting was Paul Dunnagan, Canada Life.

Buffalo—The annual stag party will be held Jan. 14.

Northern New Jersey—Irvin Bendiner will speak at a meeting Jan. 20. President P. J. Torsney will preside.

Pittsburgh—U. S. Senator Bridges of New Hampshire will address a luncheon meeting Jan. 19. Each member is being urged to bring at least one policyholder.

San Francisco—Herbert A. Hedges, N.A.L.U. president, will address a luncheon meeting Jan. 28. He will be in Oakland Jan. 29, conferring with officers of the various local associations throughout northern California.

Tax rulings, how they affect life insurance and how life insurance may be used to assist the insured in meeting his tax problems were discussed at a meeting of the women's committee. Mrs. Bruce M. Ashton, Connecticut General Life, presided. The program was under the direction of Mrs. Genevieve F. MacIver, Equitable Society.

Recent tax rulings affecting life insurance were reviewed by Mrs. Dorothy Marden. The "Tax Approach" was discussed by Miss Marcella McCaw, who works jointly with Mrs. MacIver in writing business. Mrs. MacIver discussed "What's New in 1944."

Mrs. Ashton announced that the women's forum will be held March 3 and will be devoted to the work of women in the present and future and their part in economic stabilization.

Cleveland—A "Stump the Expert's" program will be held Jan. 20. The board of experts is composed of D. Miley Phipps, New England Mutual; John Byrne, Penn Mutual; Frank A. Gold, Acacia Mutual; Benjamin R. Sesser, Metropolitan Life; and Chalmers S. Lutz, Equitable Society.

The judges will be Griswold Wilson, National Life of Vermont; Clarence Williams, Mutual Life, and W. L. Butler, John Hancock.

MANAGERS

R. H. Denny Addresses Los Angeles Managers

LOS ANGELES—Robert H. Denny, superintendent of agencies of State Mutual Life, addressed the Life Insurance Managers Association of Los Angeles on "Agency Operations Under Present Day Conditions."

He said life insurance recognizes that the war comes first and that the better job the life men do in their agencies, the better they will further the war effort. He declared no company has been built on the million dollar producer, but on the average man and woman in the business. The three main problems of the general agent or manager, he said are: Production from the organization, old men as well as new; the necessity for a modicum of personal production from the general agent, and production from brokerage sources. He declared the average agency now is not equipped to handle many new men, and it is better to try for one or two good ones rather than undertake mass recruiting. He said the agencies should keep contact with the men coming back from the armed services.

As for the matter of training, no matter what system is used, the agent must be able to act in line with the training.

Drill and rehearsal are necessary and this gives the agency better agents and larger policies.

President Trueblood read a letter from Holgar Johnson, president of the Institute of Life Insurance commending the association and its committee headed by Walter J. Stoessel, general agent of National Life of Vermont, for its splendid survey of the agency situation.

San Antonio Club Selects Officers, Has Quiz Session

The San Antonio (Texas), Life Managers Club held a quiz program to develop advantages found in certain types of policies which are designed to protect an estate, the method of providing a fund for buying a partners interest in a business when he dies, protection of beneficiaries through special conditions, and problems affecting the relation of husband and wife life insurance as related to the estate.

A. J. Ballard, Minnesota Mutual Life, chairman of the nominating committee, presented the committee's report selecting Lloyd Silberberger, Connecticut Mutual Life for president; T. N. Moody Amicable Life, vice-president; N. J. Bradbury, Bankers Life of Des Moines, secretary-treasurer, which was unanimously adopted.

Denny Los Angeles Speaker

LOS ANGELES—Robert H. Denny, director of agencies of State Mutual Life, spoke at a meeting of the Life Insurance Managers Association this week.

SALES MEETS

California-Western States Holds Managers Conference

California-Western States Life held a 3-day managers' conference at the home office in Sacramento this week. Managers and field superintendents representing the entire territory with the exception of Texas, attended. Home office officials will meet with the Texans in Houston shortly.

The company's new accident and health benefits, combination life and accident and health insurance, and the company's new compensation and pension plan for agents were discussed. Considerable attention will be given to post-war agency development. Awards were presented to managers whose agencies led in all-around performance in 1943.

The meetings were conducted by O. J. Lacy, president; Robert E. Murphy, vice-president and manager of agencies; and Ernie Guttersen, inspector of agencies, assisted by Walter C. Kennedy, chief underwriter; Dr. H. W. Gibbons, medical examiner; Marcus Gunn, vice-president and actuary, and Lee Hunt, superintendent of the group department.

Donley to Union Mutual as Supervisor of Agencies

David W. Donley has been appointed supervisor of agencies of the accident and health department of Union Mutual Life at the home office. He has direct supervision over present accident and health contacts and is in charge of agency development and promotion of new business.

Mr. Donley, a native of Worcester, Mass., entered the insurance business there as an agent of Travelers. Later he became special agent, then branch manager for Illinois outside of Cook county, and then in Philadelphia for 10 years.

He joined General Accident in 1933, and became superintendent of production, the capacity that he held at the time of resigning to join Union Mutual.

Character

Institutions, like individuals, have both reputation and character. While reputation may bring temporary success for an organization, character alone determines its ultimate well-being.

Character, in an institution, means high ideals unflinchingly pursued; willingness to do a bit more than the letter of the contract implies; knowledge that service is something more than sheer duty; tolerance toward human frailties, and belief that the rights of one terminate where another's begin; adherence to the eternal principle of fair play.

Reputation is what others think of us; character is what we really are. It is the philosopher's stone that transmutes the dull dross of business dealings into golden nuggets of friendship.

AMERICAN UNITED LIFE INSURANCE COMPANY
FOUNDED 1877 INDIANAPOLIS

Three Sensations Before High Court

(CONTINUED FROM PAGE 1)

answered questions of the justices calmly and with apparently less disturbance to his train of thought than Mr. Biddle.

The argument of Mr. Cahill was also divided into four parts, closely following his brief. They were the strength and usefulness of state supervision, the variation between the indictment and the government's appeal, that insurance is not commerce and that sustaining the indictment would destroy the present system of state supervision with serious consequences to insurance, the states and the public.

Justice Black, who had been silent throughout the government's argument, asked Mr. Cahill several questions about the scope of state insurance laws and rating bureaus. In answering the government's contention that inland marine insurance puts the companies into interstate commerce, Mr. Cahill pointed out that this constitutes only a small fraction of the companies' business. Led by Justice Jackson, the justices wanted to know just what inland marine insurance is and Mr. Cahill had to answer several questions on the subject.

Frankfurter Sympathizes.

Justice Frankfurter showed considerable sympathy with Mr. Cahill's argument on the indictment, saying that the terms of the indictment clearly show that the government must establish that insurance is interstate commerce, and not simply using an instrumentality of interstate commerce or affecting interstate commerce. He pointed out that Mr. Cahill's brief cited a holding that professional baseball is not interstate commerce, although it uses interstate transportation and communications and that this is settled law.

Mr. Cahill powerfully reiterated that the courts have clearly held that insurance is not interstate commerce, that this was established before the Sherman act was passed and that the insurance companies, whether they like state supervision or not in the beginning, have adjusted themselves to it and the states have built up a thorough and successful system of supervision in reliance in the unfailing holdings of the Supreme Court. He showed that the public interest demands that insurance, unlike other businesses, be protected from ruinous competition and that the government has admitted that its case, if successful, would upset a number of state laws regulating rates. At the close of his argument, Justices Reed and Black asked several questions about state rating laws, and Justice Jackson asked whether they applied to mutuals.

MacDougald Takes Over

Taking over from Mr. Cahill, Mr. MacDougald told Justice Jackson that mutuals are under many rating laws and that, while not members of S. E. U. A., they did use its rating service. Mr. MacDougald, who spoke with a pleasant southern drawl, acted very much at home in the court room and was obviously liked personally by the justices. His talk lasted about 20 minutes and was a spirited defense of state supervision and states rights. He pleaded with the court not to upset its established precedents and to protect American policyholders and American business by preserving the system of rating bureaus. He pointed out strongly that rating bureaus do not "fix" rates, but supply statistics which are the raw material of scientific rating.

The principal point of Mr. Biddle's rebuttal was that subjection of the insurance business to the anti-trust laws would not prevent limiting competition, if such were desired. He pointed out that when the Sherman act was passed, competition in the fire insurance business was the rule and apparently the legislators felt that there was no need to include insurance specifically in it. According to the insurance companies' statement, rating bureau laws were not common before 1912 and prior to that

time 22 states had anti-compact laws, requiring unbridled insurance competition. He argued that state laws regularly forbid rate competition by railroads and other public utilities, although these businesses are clearly under the anti-trust laws. State rating laws, he maintained, could still be enforced if it is felt desirable to restrain competition, and it is not the desire of the courts to impose any particular economic system on the country. It was at this point that his brush with Justice Jackson occurred.

Frankfurter in Lead

A box score of the questions asked by the justices showed Frankfurter, as usual, in the lead, with 12. Stone and Jackson asked seven each. Black six, Rutledge three. Douglas two, Murphy one and Roberts none.

The Polish -National Alliance case was argued by Ewart Harris, Chicago, for the company and Mr. Biddle for the government. Since the government was winner in the circuit court of appeals, Mr. Harris spoke first.

His argument on the interstate commerce feature was similar to that of the companies in the S.E.U.A. case, but, apparently feeling that the court had had enough of that for one day, he stressed the other feature of his case—that Polish National is not an insurance company, but a non-profit benevolent institution and as such not subject to the federal wages and hours laws, regardless of what the holding may be on insurance companies. Mr. Biddle countered with the argument that there is no ground for such an exemption or concept of a fraternal and was in the middle of his argument when the court adjourned for the day.

Resuming his argument Wednesday, Mr. Biddle referred several times to the fire insurance case. He spoke of Polish National Alliance as a mutual and mentioned that it is still an insurance company. He also referred to the stock fire insurance companies "freezing out mutuals" through the medium of the S.E.U.A. He pointed out that fraternalism are covered in the Illinois insurance code, but based the major part of his argument on the ground that a strike at Polish National interfered with the transaction of interstate business by mail and other means.

In his rebuttal Ewart Harris insisted strongly on the difference between a mutual and a fraternal. The government is undoubtedly on stronger ground in this case than in the S.E.U.A. case, since the NLRB apparently can secure jurisdiction if the activities affect interstate commerce, even though the business itself is not commerce. Mr. Harris fought hard for a distinction between profit and non-profit firms, but the justices did not appear very sympathetic. Justice Rutledge mentioned a farm co-operative shipping grain over ten states as engaged in interstate commerce, although organized not for profit.

Chief Justice Stone engaged in a spirited dialogue when Mr. Harris said that never until now has a strictly benevolent organization been brought under the labor act. He said if Polish National could be brought in so could every church organization. Chief Justice Stone asked if the Red Cross could not, under this theory. Mr. Harris answered "of course" and the chief justice said "why not?"

Stone Causes Hope

Chief Justice Stone made some fire insurance men feel hopeful by saying that if the Supreme Court should uphold the old cases holding that insurance is not commerce, this would still not keep a benevolent society out of the labor laws.

The hearing closed with Justice Jackson asking how the case arose. Mr. Harris explained that it involved inter-

nal feuds, much to the justice's amusement. He also said that the newspaper published by the alliance was purposely left out of the case. The 16 employees of the newspaper were omitted from the union, because it was known they would have turned the vote in favor of the alliance.

Justice Murphy was missing Wednesday. He was not on hand Monday and did not look or act well Tuesday. Apparently, he made a special effort to be present for the S.E.U.A. case, either because of personal interest in it, or because he did not wish the court to be too short handed because of Justice Reed's refusal to participate.

The setting of the Supreme Court is one of dignity which never fails to impress an observer and the atmosphere was unmistakably charged with the impression that a most important matter was on hand. There was a noticeable letdown when the Polish National Alliance case was called. Many spectators left and the justices, though unfailingly courteous, obviously relaxed their attention. Even Mr. Biddle showed far less fire in his argument in the later case.

Regardless of the outcome of the case, insurance has had its day in court and has certainly been given a fair hearing.

The justices followed the case closely and never relaxed their attention. They are an impressive group of men, each a strong individual but all impress an observer with their character, capacity and trustworthiness. Sitting with Chief Justice Stone in the center, they line up with the senior associate justice, Roberts, on his right, the next Black, on his left and so on, with Rutledge, the newest member, last on the chief justice's left.

Views of the Justices

As a spectator sees the justices, they sit from left to right: Jackson, youngest appearing, keenly alert, extremely pleasant and yet highly capable in manner and bearing. No spectator could fail to notice the pleasant smile he gave each page boy when requesting any service. Although known to favor broad extensions of the commerce clause, he showed no hostility to the insurance attorneys and his questions were strictly to the point and well phrased. Next, Douglas, also young, more enigmatic in bearing. He said little, but was far more attentive to the case than on the previous day when insurance men waited in vain for their case to be heard. He and Jackson ex-

(CONTINUED ON PAGE 19)

MUTUAL TRUST LIFE INSURANCE COMPANY

HOME OFFICE
CHICAGO



FIELD BUILDING
ILLINOIS

"As Faithful as Old Faithful"

ONE OF THE LOWEST NET COST COMPANIES
IN THE UNITED STATES.

SAME RATES—SAME DIVIDENDS AND SAME
NET COST SINCE 1937.

Two Outstanding General Agency Opportunities and
a Few District Agency Openings in Illinois and Iowa.

The Agricultural Midwest Is Enjoying the Greatest
Prosperity in All Its History.

Men Who Believe They Have General or District
Agency Qualifications May Obtain Full Particulars
by Addressing the Agency Department.

Nothing Better in Life Insurance

LOOK BACK — LOOK AHEAD

In January 1943 Alliance Life men were told that sales could be increased with the help of Package Selling and the Social Security approach. Now even the skeptics believe; because written business was 112% and first year premiums 116% of the 1942 figures. Have Alliance Life give you the perspective for 1944.

B. T. Kamins, Agency Director

QUALITY REINSURANCE SERVICE

Life
Accident
Disability
Substandard

R. E. Button, Reinsurance Secretary

Alliance Life
Insurance Company
Executive office: 750 N. MICHIGAN AVENUE
CHICAGO 11, ILLINOIS



LEGAL RESERVE FRATERALS

Fidelity Life Field Managers Meet

Nationally, 1943 was the best insurance production year since 1937, and 1944 should be even bigger, perhaps better than 1929 when new insurance written exceeded a billion, Edward Warner, president of City National Bank, of Clinton, Ia., told district managers of Fidelity Life at a two-day sales conference held at the home office in Fulton, Ill. President Walter C. Below presided. Thomas O. Hertzberg, general sales manager, who planned the program, was unable to attend due to illness.

President Below reported good progress in 1943, with increase in average-sized adult policy, and preliminary figures which show the society is in sound financial condition.

R. A. Dudderar, home office field supervisor, spoke on the new retirement income at age 60 contract and methods of selling it. A round table discussion of this policy followed.

Two women led the entire field force in production last year. Mrs. Ida Canty, Sheridan, Ill., and Mrs. Mabel Turk, Earlville, Ill., each paid for well over \$250,000, and Henry Spille, Jacksonport, Wis., was in third place. They are members of the President's Club. Eleven qualified for the Century Club (\$100,000-\$200,000), and a number also for the Fifty Club.

New Sales Literature Introduced

Harold Allen, publicity director, spoke on "Where Your Life Insurance Market Is in 1944," and introduced three new pieces of sales literature. A highlight of the session was a "Pro and Con" debate by six district managers. Three special awards were presented to Mrs. Canty for leading in volume last year; to Ralph

Schepler, Fulton, Ill., for highest percentage of persistency, and to Henry Spille for writing the largest average-sized policy in the year.

George S. Francis, Minnesota state supervisor, spoke on the "New Quality Rating Chart," and later with Mr. Dudderar presented a humorous skit on "How Not to Sell Life Insurance." A round table discussion concluded the conference.

N.F.C. Committee on Code Named

Mrs. Grace W. McCurdy, president of the National Fraternal Congress and head of Royal Neighbors, Rock Island, Ill., has appointed a special committee to confer with a committee of the National Association of Insurance Commissioners on preparation of a uniform fraternal code. The N. F. C. committee is: George G. Perrin, Modern Woodmen; Lendon A. Knight, Royal Neighbors; Rainey T. Wells, Woodmen of the World, Omaha, and E. W. Dillon, United Commercial Travelers.

W. A. Sullivan, state of Washington, chairman of the commissioners fraternal committee, appointed a sub-committee to meet with fraternalists on the proposed legislation. The committee includes Neel of Pennsylvania, Johnson of Minnesota and Fraizer of Nebraska, with Sullivan as ex officio member. It is intended to submit the code to the commissioners at their next meeting.

Deficit in Chicago Society

The Illinois department has issued an examination report of Catholic Guard of America with head office in Chicago showing that the admitted assets are less by \$9,199 than the required reserves and accrued liability as at Dec. 31, 1942.

Assets were then \$56,454, certificate reserves \$64,628. The supreme secretary is W. M. Berg. Insurance in force was \$301,064.

Illinois Congress Meets in Chicago Feb. 22

The Illinois Fraternal Congress will hold its annual meeting in the Morrison hotel, Chicago, Feb. 22. J. F. Sheen is president; Mrs. Margaret Gorman, vice-president; W. E. Mooney, secretary, and C. J. Del Vecchio, treasurer. All are of Chicago. Program details will be announced soon by President Sheen.

Report Is Made on Fidelity Life of Fulton

Fidelity Life of Fulton, Ill., at Dec. 31, 1942, possessed assets of \$11,695,126, special contingency reserve \$71,099 and unassigned funds \$1,039,465, according to the report of an examination made by Illinois, Iowa and Kansas. Walter C. Below is president and Frank W. Hough secretary.

The field department consists of a state supervisor and two special representatives, 42 district managers on a full time basis and 107 special agents on a part time basis.

There were 64,076 members and \$54,974,552 insurance in force.

Negro Society Is Suspended

ST. LOUIS—Citizens Mutual Benefit, Negro fraternal and religious group, has been ordered by Superintendent Scheuffler to cease writing and soliciting policies until the organization is reformed under proper state authority. The company has been writing life, health and accident policies for three years without posting collateral with the department. It has about 3,000 policyholders.

Fellowship Association Elects

Diedrich Kropp was elected president of the Royal League's Fellowship Association at a meeting of the directors in Chicago. First vice-president is C. J. Del Vecchio, supreme scribe; second vice-president, Cecelia Zabilka; secretary, W. F. Traub, and treasurer, Walter E. Heim. Fred A. Johnson, head of the society, reported on the Sanatorium at Black Mountain, N. C.

Reports on Chicago Society

Polish Roman Catholic Union assets were \$19,680,141 according to report of examination by the Illinois department. The examination covered the period Jan. 1, 1939-June 30, 1942. Liabilities

were \$18,375,848, unassigned funds \$1,304,293, solvency ratio with mortuary funds combined 106.1%. The society operates in 20 states and was formed in 1887.

RECORDS

Northwestern Mutual Life—New paid for business in 1943 totaled \$227,374,000, 11% increase over 1942. The last nine months of 1943 showed gains ranging from 30% to 60% over corresponding months of 1942 and December increase was 62%. The increase in pension trust business accounts for only one-sixth of the total increase in the final three-quarters. Business was equally good in rural and city territories.

National Life, Vt.—Sales during 1943 exceeded by 15.41% those of 1942. Insurance in force increased \$26,494,410, the total being \$641,482,966.

The 1944 slogan is "Let's Have More in Forty-four."

Equitable Life of Iowa—Paid volume in December amounted to \$6,942,527, and life insurance and annuities paid for the entire year totaled \$76,093,883. The 1943 record is a gain of \$19,499,391, or 34% over 1942. It was the biggest record for the past 13 years. Insurance in force gained by \$24,496,684, the total being \$658,929,697.

Five agents each paid for more than \$1,000,000 during the year, and 89 paid for in excess of \$200,000.

The leading personal producers were: R. H. Sheldon, Los Angeles; A. Freeman Mason and H. J. Miller, Philadelphia; Leon N. Lefebvre, Portland; J. M. Utter, Seattle; Ray Wernimont, Cedar Rapids; V. C. Gilbert, Portland; W. B. Strief, Des Moines; L. J. Beaucage, Portland; F. G. Sherer, Indianapolis; C. P. Spahn, Chicago; J. F. Kavaney and A. F. Kehle, Seattle; W. F. Alexander, Nashville, and W. T. Meisner, Chicago.

The leading agencies were: Philadelphia, Wallis & Son; New York City, Hoey & Ellison Life Agency; Portland, T. J. Binder; Seattle, H. S. Bell, Kansas City, H. A. Hedges.

Columbus Mutual Life—Production of new paid business in 1943 exceeded \$12,500,000, showing a gain of 31% over 1942. Applications overwhelmed the company as the year neared an end when a sales contest was conducted by President D. E. Ball. November and December production was more than double that of the same months last year. Insurance in force increased from \$153,000,000 to \$161,000,000, assets from \$44,000,000 to upwards of \$48,000,000, with a substantial gain in surplus.

Union Mutual Life—Paid business in December exceeded December, 1942, by 60%. The new paid business gain for 1943 amounted to 5%.

Big Increase in Iowa Reserves

DES MOINES—Securities deposited with the state insurance department by Iowa companies total \$713,696,914, an increase of \$53,220,437 during 1943, Commissioner Fischer reports. Since the reserves are not required the first year, the increase means a lower lapse rate and an increase in force, Mr. Fischer states.

Grant Minneapolis Speaker

W. T. Grant, president of Business Men's Assurance, addressed a joint meeting of the Minneapolis Civic Commerce Association and Twin Cities Accident & Health Club Thursday noon on "Destructive Taxation."

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society

Bina West Miller
Supreme President

Frances D. Partridge
Supreme Secretary

Port Huron, Michigan

UNUSUAL . . . OPPORTUNITIES

for Men Who Wish to Begin Today to Build Their World of Tomorrow—

As a part of a forward looking post-war program, Modern Woodmen of America has a number of openings for full-time District Managers—men who can produce business personally, supervise a given territory and appoint sub-agents.

Not only will Modern Woodmen provide an excellent territory and a tested program to assist you in building your future with Modern Woodmen, but will finance men with full-time qualifications.

Commission schedules are liberal and renewals are provided for persistent business. Salesmen, whose lines have been discontinued because of wartime conditions; filling station operators, bank employees, accountants, etc., would easily qualify for this work.

In writing please give full details, education and past business experience, together with recent photograph. An interview will be arranged later.

Write to—

Superintendent of Agents

MODERN WOODMEN OF AMERICA

ROCK ISLAND ♦ ♦ ♦ ♦ ♦ ILLINOIS

The
A. O. U. W.
of North Dakota

THE PIONEER OF FRATERNAL
LEGAL RESERVE SOCIETIES

Provides All Popular Forms of
Life and Disability Insurance

A True Fraternal and a Mutual
Life Insurance Association

Home Office—Fargo, N. D.

Momentous Cases Are Argued

(CONTINUED FROM PAGE 17)

changed whispered remarks and hearty laughs after the latter's brush with Biddle. Then Reed, whose chair was vacant during the S.E.U.A. hearing, but who in other cases appeared as short, sharp-featured, very quiet and attentive.

Next, Roberts, a mountain of dignity, an almost perfect subject for a statue in granite, exuding the integrity which won him the country's confidence as the investigator of the Pearl Harbor disaster. He was the only justice who did not say a word that day. In the middle, Stone, who never relaxed from his responsibilities as presiding justice; usually leaning forward, always ready with a question if he felt something had not been understood, judicial, but not hair-splitting in manner. Beyond him, Black, shortest member in the lowest chair, his head barely clearing the bench. He usually leaned back and seldom moved, but was ready with unexpected questions. Then Frankfurter, most talkative of the nine. Very fidgety he usually leaned so far forward that his chair appeared vacant. Murphy, beyond him, in the highest backed chair, leaned back quietly most of the time. Last, Rutledge, stocky and alert, who usually leaned forward with chin in hands, but seldom stayed in one position.

There was considerable discussion in Washington on the fate of the Bailey-Van Nuys and Hancock-Walter bills, with the Supreme Court now considering the basic question.

Incidentally, despite the belief of many insurance men, it can be said on excellent authority that neither President Roosevelt nor his closest advisers has shown an interest in the present controversy, either the bills or the Supreme Court cases. The government interest so far does not go above Mr. Biddle. However, because of this same lack of interest, it may be taken for granted that, should either bill pass, Mr. Roosevelt would veto it on Mr. Biddle's recommendation, probably letting Mr. Biddle write the veto message.

Polish National Brief

Filed with the Supreme Court in behalf of the National Labor Relations Board recently was a brief in the Polish National Alliance case, also reply brief for Polish National. The former bears the signatures of Attorney General Biddle, Charles Fahey, solicitor general; Robert L. Stern, assistant to the attorney general; Alvin J. Rockwell, general counsel; Ruth Weyand and Frank Donner, attorneys for NLRB.

Contending that the life insurance business is subject to the federal commerce power, government counsel state that in 1938, its size in the United States was enormous, about 125 million policies being in force on about 64 million lives; that a year ago life insurance in force exceeded \$130 billion and companies' assets \$35 billion. The brief declares that the business is organized and functions through the use of interstate channels; that the business is commercial in character; that a life insurance policy is an article of commerce.

Status As a Fraternal

The purchase of the service of insurance protection is in commerce, it is argued in the NLRB brief; also, that life insurance business "substantially affects interstate commerce" because of its importance as a credit institution.

The labor board contends that Congress did not intend to exempt employers engaged in the insurance business from the national labor relations act. In support of this point the brief quotes the Wagner act definition of commerce as including "trade, traffic, commerce, transportation, or communication among the several states." The point has been made that Polish National utilizes interstate communication services. The government contends that a strike of Polish National employees, "affected"

"obstructed" or "burdened" interstate commerce.

It is further argued that Polish National's status as a fraternal does not exempt it from the act. The Alliance is "in the insurance business," "is not a charitable and non-profit organization." Even if it were the latter, the brief declares that it would be subject to the commerce power of Congress.

Finally, the Illinois law declaring fraternal to be charitable and benevolent institutions exempt from taxation, the brief contends to be immaterial.

The NLRB brief takes the position that because of its cash surrender and loan value, a policy of life insurance is an article of commerce in its own right. "It has many of the attributes of a security, and has been treated as property both by Congress and by this court," the brief stated. "Transmission of life insurance policies across state lines is thus interstate commerce in and of itself, apart from the other aspects of the insurance business."

The brief alludes to the S.E.U.A. case and states that the same fundamental questions are involved in both actions—whether the insurance business is subject to regulation under the federal commerce power. Most of what is said on the constitutional issue in the government brief in the S.E.U.A. case, according to the NLRB, applies to life insurance as well. Polish National, however, according to the NLRB, is in no position to make an argument similar to that advanced by the S.E.U.A. that application of the labor relations act to insurance will disorganize or impair the efficient operation of the industry or interfere with the operation of the state laws regulating insurance. "Whatever may be said in support of the contention that insurance differs from other industries with respect to the nature of its rate structure and the advantages and disadvantages of competition does not apply to the labor relations of insurance companies," the brief states.

The brief states that the national labor relations act has been law for only eight years. Since that time the board has entertained 19 proceedings involving insurance companies and the Polish National is the first of these cases which has been taken to court.

In connection with the contention of Polish National that its status as a fraternal exempts it from the act, the NLRB brief states that the fraternal societies in recent years have become commercialized. The entire relationship of the individual to the society has been altered. From a mere adjunct in the society, an "insurance rank" offered optionally to members, insurance has become the dominant activity of the society. Membership and coverage have become synonymous and qualifications for membership relate fully as much to eligibility for insurance as to other qualifications. The variety of insurance sold and the decline of the lodge as a selling medium have made commonplace paid solicitors who are trained for this work. Except for "perfunctory retention of ritualistic requirements, representative government and the so-called open contract" provision there are no real differences between the fraternal and the mutual life companies, the brief states.

Brief of 35 States

The Department of Justice position in the S.E.U.A. case is opposed in a brief received Monday by the Supreme Court from Attorney General Head of Georgia. It bears the signatures of the attorneys general of 35 other states. Additionally the Virginia attorney general filed a separate brief as friend of the court.

The Sherman act would be a poor substitute for state laws and regulation, the brief says. The state's right to deny or revoke licenses is declared to be "most effective" and without loss or inconvenience to the general public.

A decision that fire insurance is com-

merce, the brief says, would bring the business within the scope of other laws based on the commerce clause, and "automatically place the regulation of the insurance business under the federal trade commission act to the considerable extent that the act applies to interstate commerce." This would substitute a system not intended by Congress for that purpose for what is declared to be "an adequate system of regulation and supervision designed for that purpose and having a background of experience for 75 years."

"The fire insurance business in our respective states is being fairly and equitably conducted by the companies," says the brief: "Our laws regulating this business are adequate and these laws are being enforced by competently staffed insurance departments. Our insurance departments are being conducted to our satisfaction. Our laws are in the main satisfactory to us. We want to retain these laws and the right to make such amendments as conditions might require."

A reversal of the 75 year policy, the brief concludes, "would require the states, the insurance companies, Congress, the court, and the public to start all over again in approaching the regulation, supervision and conduct of the insurance business."

Attorney General Staples of Virginia filed a brief with the Supreme Court, upholding contentions of the S.E.U.A.

Mr. Staples argued that regardless of whether the court might be of the opinion that its recent decisions would justify a holding that insurance is commerce, the proper interpretation of the Sherman anti-trust act does not include insurance within its provisions. Also it is argued that the particular problem to the regulation of insurance companies which the Department of Justice seeks to solve in the proceeding can be more effectively dealt with through cooperative action by the federal and state governments than by the drastic and perhaps destructive remedy here under consideration.

The Virginia official contended that the only question presented for decision at this time is what was the judicially defined meaning of the words used in the Sherman act. At the time it was passed in 1890 and amended in 1937 the judicial definition of the word "commerce" as not including insurance was in full force and effect.

Staples said that if the Department of Justice has uncovered evils which it feels should be remedied, the problem can most effectively be dealt with by cooperative action between the states and the Department of Justice. If additional state legislation or Congressional action is deemed desirable a conference should result in agreement upon the action necessary. "But to drop a destructive

bombshell at this time into the very heart of the state regulatory system would be akin to burning down "a house to kill the rats."

Aside from the impact of the Sherman act upon state regulation of rates and doubt whether this would longer be permissible, nearly all other regulatory measures would be subject to challenge as an undue burden on or obstruction of interstate commerce. Injunctions suspending their operation would be sought and frequently granted pending final decision of the supreme court.

B. M. A. Closes Record Year; 1943 Sales Ahead by 32.6%

Business Men's Assurance enters its 35th anniversary year with a record of 35 consecutive months of increase over the corresponding month of the preceding year. An all-time high total of new paid business was recorded in 1943, exceeding by 32.6% the previous high record established in 1942. Each month during the year saw a new high record for that month.

December business showed an increase of 56.7% over last year.

For the year, J. P. Baldwin, San Francisco, was the ranking manager, with the highest production ever reported by a BMA office in a single year.

Total income was \$11,200,000 as compared with \$9,535,943 in 1942; assets \$37,000,000 and \$32,937,274; paid life insurance \$32,800,656 and \$29,476,757; life insurance in force \$175,732,402 and \$161,282,618; policy benefits paid \$3,283,825 and \$3,092,044.

Francis P. Beiriger, Rockford, Ill., general agent Connecticut Mutual Life and past president Illinois Association of Life Underwriters, has been named chairman of the Winnebago county war loan drive committee.

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Many Advancements Are Made by Fidelity Mutual Life

(CONTINUED FROM PAGE 3)

some years was associated in various engineering capacities with the Pennsylvania railroad. He had charge of the valuation work of the New York and Philadelphia terminals. In 1922 he became an advertising agency account executive and continued in that field until his Fidelity association.

C. J. R. Sproule, treasurer since 1930, now becomes the investment officer. Among the important positions which Mr. Sproule has held since he entered its service in 1896 are assistant secretary, assistant to the treasurer, assistant treasurer, and treasurer.

W. C. Keesey was promoted from assistant secretary to treasurer. He was graduated from the law college of the University of Iowa, and then practiced law for several years in that state.

Mr. Keesey entered the law department of Fidelity in 1929 and was in that department until his transfer in 1931 to the mortgage loan department of which he was made secretary in 1933. He was appointed assistant secretary in 1941. In addition to his duties as treasurer he will supervise mortgage loans and real estate.

H. S. Redeker Is Promoted

H. S. Redeker, whose Fidelity connection dates from 1935, was promoted from an attorney in the law department to secretary. He was graduated from the business school of the University of Pennsylvania. In 1935, he graduated from the law school.

He has specialized in distribution of proceeds, business insurance, title, and tax problems. As secretary, he will also have charge of public relations.

Assistant Manager of Agencies C. L. Pontius was made manager of agencies. Following his graduation from the University of Minnesota he spent several years in the investment business. His first insurance connection was with Canada Life in 1924. After seven years with that company, he spent a year with John Hancock and then became supervisor of a large agency of Northwestern Mutual in Minnesota.

Mr. Pontius became associated with Fidelity in 1935 as supervisor of agencies.

Other changes include the promotions of Miss Esther Johnson and Homer O. White, from assistant actuaries to associate actuaries; Arthur H. Evans, supervisor of applications and chief underwriter to assistant secretary; and P. A. D. Schuessler, manager of new business department, also to assistant secretary. W. J. Young, secretary of the mortgage loan department, E. L. Carl-

son, supervisor of mortgage loans, H. Anderson, manager of the real estate department, and A. W. Platt, supervisor in the security division of the investment department, were each appointed to the office of assistant treasurer. S. H. Evans, division chief of the auditing department, was made assistant comptroller.

Horace P. Liversidge, president of Philadelphia Electric Company, was elected a director of Fidelity Mutual.

Social Security Parley Conducted by U. S. Chamber

(CONTINUED FROM PAGE 3)

complete protection—the risks are too diverse and it is not the function of the state to become the guardian of its adult citizens. Rather, the purpose of social security is to provide protection of minimum standards."

Authoritarian Mold

To go much further, Mr. Johnston said, will place responsibility upon the state that will tend to drive it into authoritarian molds, for if the state is to guarantee full employment and income, it must have full authority.

"Our system of social security insurance should be so designed and, if you will, so propagandized," said Johnston, "that it will encourage individual thrift and so that it will promote voluntary group action, such as the magnificent performances of the voluntary group hospitalization plans which already provide hospital insurance for 15,000,000 people." Announcing he favored a "well-rounded social security program," Mr. Johnston said that "social security will grow. The pattern will change. The program is incomplete and the coverage perhaps is inadequate."

Old age and survivors insurance was the subject of Mr. Linton's address, while Mr. Hohaus discussed group insurance plans—individual and company plans.

Other speakers included Dr. Allen M. Butler, Committee of Physicians for Improvement of Medical Care, on the medical profession's reactions to compulsory health insurance and C. Rufus Rorem, director Hospital Service Plan Commission, American Hospital Association, on community medical and hospital plans.

Mr. Hohaus, Rollin M. Clark, vice-president Continental Casualty, and Robert W. Leach, president Unemployment Benefit Advisors, Milwaukee, are members of the chamber's social security committee.

To quickly answer brokerage questions get "Who Writes What?" \$2.50 from National Underwriter.

Convention Dates

March 23-25, National Association of Life Underwriters (mid-year) Buffalo.

April 19-21, Insurance Accounting & Statistical Association, Omaha, Hotel Fontenelle.

May 5, Ohio State Life Underwriters Association, Columbus.

IN U. S. WAR SERVICE

Capt. George E. Derrickson, formerly with Travelers in Philadelphia, has been transferred from the War Department insurance division headed by Col. Reese Hill, to the air force insurance division under Major Latta, at Wright Field, Dayton, O.

Sherry R. Fisher, a co-partner with Claude Fisher in the Des Moines general agency of Connecticut Mutual Life, is with the army air force at Jefferson Barracks, Mo.

Ensign R. W. Stackhouse, 29, former manager of the group department of Aetna Life in Portland, Ore., is missing in the crash of a navy plane into the ocean near St. Simons Island, Ga.

Sgt. Harold F. Crease, associate of the Tom Card agency of Union Mutual Life in Cleveland, has been returned to the states for a 30-day furlough because of injuries received in the battle for New Guinea.

Harry Altick, supervisor of the G. E. Lackey general agency of Massachusetts Mutual Life in Detroit, left to become a lieutenant (j. g.) in the navy.

Donald F. Barnes, who in civilian life is associate editor of "Life Association News" and research director of the National Association of Life Underwriters, has been advanced from corporal to sergeant. He is in the air transport command office at 33 Pine street, New York City.

Miss Dorothy J. Kachele has joined the Spars and will train at Palm Beach. She is the daughter of Gus Kachele, agency director at Reading of New York Life. Mr. Kachele's son, Lieut. (j. g.) Andrew G. Kachele has been serving overseas with the navy for two years.

Neel, Sims Views Conflict

Commissioner Neel of Pennsylvania has issued a formal appeal to "all those who are loyal to the American way of life," who want less rather than more federal control "to ask their representatives in Washington to vote for the states right insurance bills." He said that there is much evidence that the federal government desires not only to usurp state's rights but to make another advance toward ownership and operation of industry.

Commissioner Sims of West Virginia has sent members of the Senate judiciary committee an open letter "on the sterility of the underlying policy." Harlan Justice, deputy commissioner of West Virginia, appeared at a recent hearing of the judiciary sub-committee to oppose enactment of the Van Nuys-Bailey states' rights bill.

Mr. Sims endorses the amendments to the Van Nuys-Bailey bill that were suggested by Senator O'Mahoney of Wyoming who has been the leading legislative foe of these measures.

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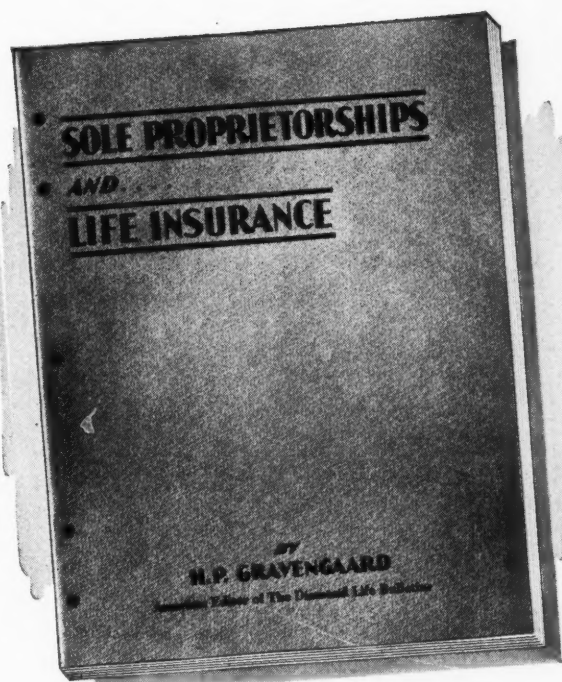


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